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The Nation's Business

Cement and Tariff
No Excessive Profits Nor High Dividends
Utility Lowers Rates; Adds to Dividends
Men of Vision Operate Paper Industry

IF A. E. DARBY, of the Canadian Council of Agriculture, and R. J. Deachman, of the Consumers League, be sincere in their efforts to uncover industries which are taking an unfair advantage of the tariff afforded them, both would be well advised to confine their efforts before the Tariff Board to industries in which there are indications that tariff protection is inimical to the general welfare.

Instead of pursuing this course, these two usually manage to choose industries which in no way bear out the free trade arguments of either Mr. Darby or Mr. Deachman. Their latest choice is the cement industry with the Canada Cement Company as the leading villain in the piece with Frank P. Jones, the familiar spirit, lurking in the background.

* * *

THE price of cement in Canada compares favorably with U. S. prices. In the brief submitted to the Tariff Board by the company, it is pointed out that in over 600 places in Western Canada cement sells at 26c. a barrel less than it could be purchased even if the duties were removed. This is a remarkably satisfactory showing, particularly as the Canada Cement Company itself is handicapped by tariff protection on some of the raw materials and on some of its equipment.

The company is also attacked on the ground that it is virtually a monopoly and that it has made exorbitant profits. Such statements are entirely out of line with the facts. In the first place, the Canada Cement has not a monopoly on the industry. In the province of Quebec, it sold cement at a profit; at prices which seriously embarrassed its competitor, the National Cement Company.

Of late years the common stock of the predecessor Canada Cement Company turned out to be a profitable investment. While the company was sold a year ago at a figure which netted the shareholders a handsome price for their holdings, it must not be forgotten that the price was largely the result of Frank P. Jones' policy of turning back year after year a large proportion of the shareholders' profits into the property combined with steadily declining interest rates.

* * *

CANADA Cement came into being in 1909 as a merger of a group of cement mills. It was not until 1915 that the stock paid its initial annual dividend of 3 per cent. In the entire history of the company, the highest rate ever paid was 6 per cent. The shares were not split, nor did the company give its shareholders stock bonuses. Such a record can hardly indicate excessive profits.

During the years between 1909 and 1927 the management steadily ploughed back the shareholders' profits into the property. In fact, since the Canada Cement sale went through, Frank P. Jones has been criticized for his parsimony towards his shareholders. It has been said that those who sold their stock before the company was sold, lost profits, too large a proportion of which went back into the property without a resulting benefit marketwise to the shareholders.

Be that as it may, it can be said that most of the operating profit being made to-day by the Canada Cement Company comes, not from the original capital investment in the properties, but from the investment and reinvestment of profits during the past eighteen years.

* * *

IN SELLING its shareholders common stock, Montreal Power has played the game by its customers and by the government which gave it protection, the Canada Cement Company certainly has.

In one sense it is perhaps fortunate that the Darby-Deachman combination have gone after the scalp of the Canada Cement Company, for it will mean that in future less attention will be paid by the public to the views of these two who up to the present have shown remarkably little discrimination in their efforts to differentiate between the sheep and the goats.

* * *

MONTREAL POWER has increased its dividend and at the same time again reduced its rates to domestic users. In addition, the management, like all other able managements of utilities on this continent, has taken other steps to increase the confidence of the public in the company. In all, about 19,000 customer shareholders of Montreal Power have just completed the final payments on their common shares. The stock will be delivered to the customer owners shortly.

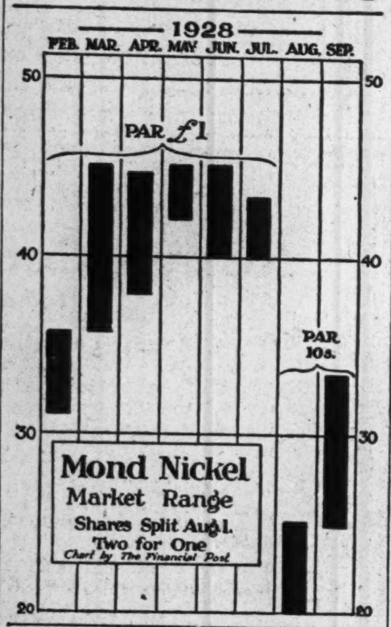
Hence, Montreal Power now has 19,000 citizens of Montreal working to further the best interests of this ably managed utility. Moreover, these customers shareholders must all be of the more intelligent type, otherwise they would not have accepted the share offer. Hence, obviously, shareholders of this type very largely will be responsible for prevailing thought in the city of Montreal on public utilities and their operation.

* * *

IF ANY company in Canada has been ably administered and has gone further than many other public utility operators. In other instances, the customers have only been offered a preferred-share par-

(Continued on page 2, col. 1)

Two Nickel Producers May Work in Harmony Following Mond Visit



Position of Both Much the Same Though I.K. is Much Larger

SHARE FROOD BODY

Both Are Carrying on Expensive Development to Tap Same Ore

The market says that there is something brewing for Mond Nickel. During the past week the shares which were split on Aug. 1 sold up to $33.75. Prior to the split these shares were stationary around $45. On August 27th Mond's new shares were selling at $22 and that seems to be about the date that the present buying movement got under way and has been going stronger ever since. The past week saw the heaviest buying with a total of 106,000 shares changing hands. Total trading in the four weeks has been 157,749 shares and the amount involved would be about $4,400,000.

It was on Sept. 14 when the shares were selling around $27 that The Financial Post published some comparative facts in regard Mond and International Nickel and the conclusion from a study of these facts were that Mond Nickel was selling out of line. Seemingly this and other factors have entered into the situation with the consequent rise in price. Meanwhile International Nickel shares which were then selling around $130 have been up over the $133 mark and are marking time momentarily.

Something on Tap

There is a feeling abroad that the rise in Mond shares has something to do with the coming visit of Lord Melchett (Sir Alfred Mond). He is going to spend some time at the company's properties out of Sudbury. It is also significant that directors of International Nickel Co. have recently paid a visit to their property.

After his trip to Sudbury, Lord Melchett is going to New York and it may be that these facts are responsible for the idea getting abroad, that the visit of the head of Mond has something to do with the two companies getting closer together.

It is a particularly interesting situation. Fate seems to have decreed that these two companies shall go along together, hand in hand. International Nickel always had tremendous ore bodies indicated, but this was always the luck of the Mond Co. However, the company's field staff under the guidance of Oliver Hall, now general manager, soon remedied this and the company is in a position where, to all intents and purposes, its nickel ore reserves are as large as those of International. Both have enough nickel-copper ore for over 50 years, so that comparisons on this point will hardly interest the present generation of stockholders.

Frood Property

International Nickel was first to get hold of the Frood. This property went begging for a long time. Guggenheims had an option on it once for $2,000. Finally three 160-acre sections of the property passed into the hands of International Nickel. No effort was made to work the property after the first because drilling and lateral work down to 50-ft. had shown a particularly rocky low grade ore. The other quarter of the section, the northwest 160 acres, went begging for a long time. Nickel had a chance to pick it up but didn't and finally Mond did and Mr. Hall gave it some attention doing some deep drilling. This led to the discovery of the fact that below the 2,000-ft. level the low grade disappeared and that in its place was high grade copper carrying the usual Sudbury nickel content and also high precious metal values.

Both Have Slice

The result is that to-day Mond and International Nickel are carrying on two very expensive operations to mine the same ore body and both will require the same equipment to treat the ore. On surface, International Nickel had practically the whole ore body which perhaps ex-

(Continued on page 18, col. one)

SERVICE STATION MOVE PRESAGES HIGHER DIVIDEND

Propose Changing Restrictions on Payments to B Holders

COMPANY ACQUIRED

Purchase Rounds Out Equipment Manufactured and Distributed in Two Countries

An increase in the dividend rate on the Class "A" stock of Service Station Equipment Company becomes a possibility with the proposal to the shareholders that they agree to a modification of the charter of the company.

Class "A" shares are entitled to a preferential non-cumulative dividend of $1.60 per share per annum. After Class "B" shares have received a like amount, both classes of stock share in future disbursements. But the charter at present provides that no dividend shall be paid on the Class "B" shares prior to December 31, 1929. This automatically shuts out hope of an early increase in the rate paid on the Class "A" stock, unless the charter is modified.

Will Earn $4 Per Share

In addition to the time limitation, the dividends on the Class "B" stock must not be greater than 60 cents per share in any year unless net assets are equal to $26.50 per share of Class "A" stock and then only if the net current assets are up to $250,000. The Class "A" stock was first offered the public in October, 1927, at $26.50.

It is understood that the company does not propose to change the provisions of the dividend clauses in so far as these relate to assets and net current assets. The only change that will be proposed will be that dividends may be paid on the Class "B" stock prior to December 31, 1929.

Report comes from a reliable source that the company will show earnings, after depreciation, of about $275,000. This is equal to nearly $4 per share on the 70,000 shares of both classes of stock at present outstanding, and would permit payment of $1.60 on the Class "B" and an additional payment on both classes of stock.

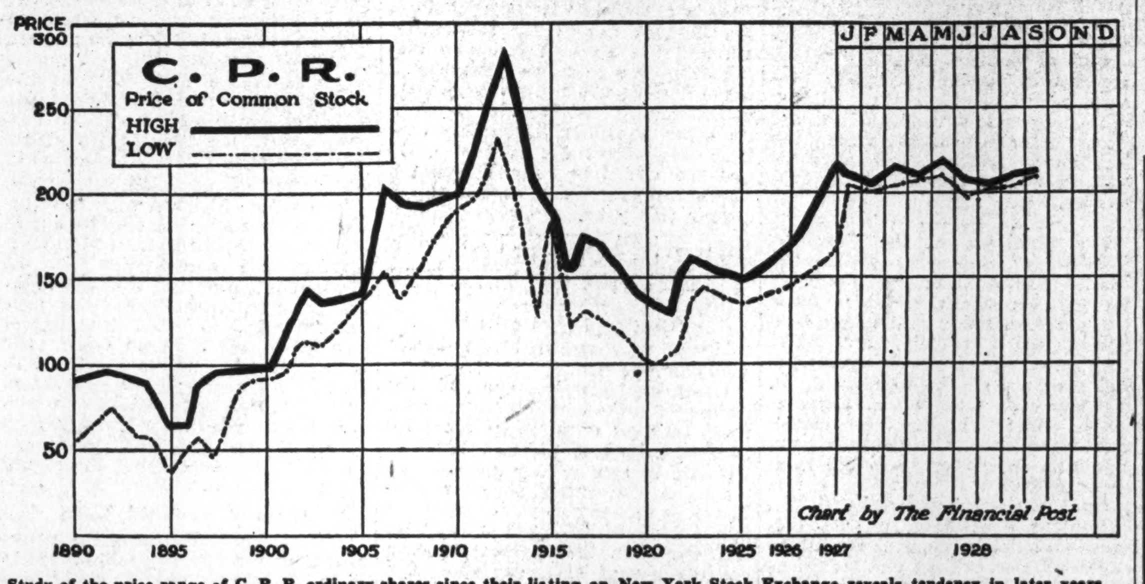
Lends Cash on Call

Service Station Equipment is one of those companies which finds itself in a fortunate cash position. At least two call loans of substantial amount have been made in recent months and the investment account of the company is being built up.

Announcement was made this week of a proposal to take over as a going concern the Bennett Pumps Corporation of Muskegon, Mich., manufac-

(Continued on page 2, col. 3)

Chart of C. P. R. Ordinary Shares Covers 38 Years



Study of the price range of C. P. R. ordinary shares since their listing on New York Stock Exchange reveals tendency in later years of narrow fluctuations and the continued upward trend from 101 in 1921 to 223¾ high in 1928. This action, according to the analysis, would indicate investment accumulation.

LARGE SUM IN OLD BONDS IS REDEEMED

Corporation Securities in Lead with Over $117,000,000

MORE IS EXPECTED

Available Investment Funds This Fall Will Establish Highest Mark in Some Time

From Our Own Correspondent

MONTREAL.— Nearly $200,000,000 of Canadian bonds have been called for redemption this year. It is expected, if the bond market shows signs of strengthening, that a number of other issues will be called between now and the end of the year, so that the total of refunding for 1928 will set a new mark in 1928.

In addition to the redemption of corporation bonds, there has been a substantial calling in of government bonds. The Dominion Government is retiring this fall, out of cash and short-term financing, approximately $55,000,000 of its obligations. Furthermore, some refunding will be carried out by the provincial governments, so that the total for this division, added to that of corporations, will amount to close onto $200,000,000 for the year.

This is undoubtedly a record volume of redemptions. It was considered that last year's record was an outstanding one and while it was remarkable up to that time, the figures for this year are far above those recorded in other years.

A careful analysis of corporation refunding to date reveals a total of $117,553,400. This list covers purely Canadian companies to the number of over 50 and does not include the redemption of foreign government and corporation bonds, in which Canadian investors are interested.

Many Firms Refunding

A partial list of the Canadian companies that have redeemed or will redeem their bonds this year follows:

Abitibi Electrical Development Co.
Abitibi Fibre Co.
Abitibi Power and Paper Co.
Annex Realty Corporation.
Bathurst Co.
Bawlf Grain Co., N.
Bawlf Terminal Elevator.
Beauharnois Electric Co.
Brompton Pulp and Paper Co.
Burns Company, P.
Canada Gypsum & Alabastine, Ltd.
Canada Northern Power.
Canada Vinegars, Limited.
Consumers' Glass Co.
Drummond Investment Co.
Famous Players Canada Corp.
Fort William Paper Co.
Fredericton Electric Co.
Greening Wire Co., P.
Guelph C. & W. Spinning Mills.
Howard Smith Paper Mills.
Jenkins Bros., Ltd.
Kaministiquia Power Co.
La Compagnie Electrique de Chicoutimi.
Lake Superior Co.
Lyall & Sons Construction Co., P.
Manitoba Paper Co.
Maritime Electric Co.
Mercury Mills.
Montreal Apartments.
Murray Bay Paper Co.
Nashwaak Pulp & Paper Co.
National Breweries.
National Building (347 Bay St.)
Northern Canada Power Co.
Northern Ontario Light & Power Co.
Nova Scotia Tramways & Power Co.
Ottawa & Hull Power Co.
Ottawa River Power Co.
Page-Hersey Tubes, Ltd.
Quebec Jacques Cartier Electric Co.
Quebec Railway, L. H. & P. Co.
Robin, Jones & Whitman, Ltd.
Rolland Paper Co.
St. Anne Paper Co.
St. Francis Water Power Co.
St. Lawrence Paper Mills.
St. Maurice Power Co.
Spanish River Pulp and Paper Mills.
United Grain Growers Co.

Private Financing Heavy

It is reasonably certain that a fair amount of refunding has been carried out by private concerns, which would considerably swell the total. Again there has been a substantial volume of preferred stocks redeemed, of which no accurate record is available.

Naturally this heavy volume of refunding has put into circulation a very large amount of investment funds. During the first quarter of the year, new and refunding financing absorbed a very large percentage of this surplus capital. Records would indicate that, during the past six months, more money has gone into the stock markets and that a number of investors are keeping their sav-

(Continued on page 2, col. 3)

Pressed Metals to Pay $1 on New Common

The new common shares of Pressed Metals of America will be placed immediately on a $1 dividend basis. This is the equivalent of $4 on the old stock of $100 par value and represents an increase from $3.25, the old rate having been $3 with a recent extra payment of 25 cents.

Old common of Pressed Metals recently has been selling at 77, where there are signs of quiet accumulation. So far there has been a little trading in the new common, which has come out at 19 and a fraction.

ALCOHOL MIGHT AGAIN AUGMENT DISBURSEMENTS?

Profits for Year Now Ending Once Again Larger

From Our Own Correspondent

MONTREAL.—The Canadian Industrial Alcohol Company is just concluding its 1928 fiscal year, when earnings, according to rumor, will amount to about $3,000,000, or $2.80 a share of the total outstanding common stock. In the 1927 year, profits were $2,414,000, or equivalent to $2.48 a share on the common stock. The earnings per share have been better during the past twelve months than the foregoing figures indicate. The number of shares outstanding has been increased by the issuance of class "B" common, issued to holders in the proportion of one share for eight at $20 a share. The outstanding stock now totals 1,092,115 shares in all, of which 123,435 shares are class "B" stock.

Larger Dividends Soon?

Canadian Industrial Alcohol shares are now on a $1.52 annual dividend basis. Gossip of a dividend increase up to perhaps the $1.80 a share figure is now heard. The company has had such a remarkably successful record and has done so well by its shareholders that the expectation of further benefits to the stockholders shortly is but natural and is probably justified. The company has steadily expanded; in addition to expanding domestically in September, 1927, it acquired control of Robert McNish & Company, of Scotland, which does a world wide business in the finest whiskeys. The business of the subsidiary company has been expanded; it is but natural to presume that larger earnings from this source will accrue to the parent company.

Earnings of Canadian Industrial Alcohol since the public first became interested in the enterprise a few years ago have grown substantially and consistently, despite the company's more than conservative accounting, which is clearly revealed in the steadily improving position of its balance sheet. According to reports, the current year's earnings will show no revenues from the McNish distillery in Scotland. One evidence of the company's ultra-conservative bookkeeping may be seen in its fixed assets, which have been written down from $6,921,000 in 1924 to $4,545,000 a year ago.

The company is fortunate in operating under an able management. To-day, its shares are still one of the most attractive liquor securities available.

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Sept. 26	91.6	88.8
Week of Sept. 19	92.2	88.0
Month of September, 1927	78.2	66.8
9 Bank Stocks		
Week of Sept. 26	304	298
Week of Sept. 19	300	296
Month of September, 1927	295	276
10 Public Utilities		
Week of Sept. 26	111	108
Week of Sept. 19	111	107
Month of September, 1927	103	97

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	2	4	3	9
Paper	5	6	6	17
Steel	15	7	24	46
Foodstuffs	15	21	21	57
Utilities	10	9	17	36
Tractions	4	2	7	13
Textiles	3	6	10	19
Industrials	34	32	42	108
Total	88	87	130	305

EVILS CLOUD NEAR FUTURE OF TEXTILES

Events Bear Out Post's Statement of Two Months Ago

NO MARKED CHANGE

American and English Firms Compete Sharply for All Trade — Demand is Improving

From Our Own Correspondent

MONTREAL.—Outlook for the textile industry, generally speaking, does not appear to be improved to any great extent. The old evils still seem to be in evidence as much as ever. Over production, low tariff, cut prices from the English and American mills, all these factors still tend to hold the industry down to the same level it has been running on for the last few years.

No hope is held out for any immediate improvement in the situation, though prospects of a good crop from the West this year should be reflected in the earnings of the various companies.

There is some talk in England of reviving the 50 per cent. cut on what is known as the American section of the English mills. This plan worked well some years ago, when it was tried, and would tend to check the over production if brought into force again. Canadian Cottons is running its mills on about 85 per cent. capacity at the present time, and does not look for any appreciable change in earnings for the current year.

Some eight weeks ago The Financial Post first drew attention to the unsettled conditions in the Canadian textile industry. Attempts were made to discredit the facts and statements presented at that time, but subsequent developments have proven conclusively that all is not well with the textile companies.

The first "break" came when Wabasso Cotton passed its regular quarterly bonus of 50 cents a share, which has been paid since 1927; the stock is now back on a $4 annual basis. The reason given for this action was the lower operating earnings for the year which closed on June 30, 1928. The results obtained by Wabasso Cotton in the last statement, although revealing decreased earnings from the preceding year, seemed pretty fairly to reflect conditions prevailing in the industry.

The common shares of Wabasso Cotton have, for the past few months, reacted from around 120 to a current quotation of 84 sellers with no bids for the stock.

The market record of the other cotton companies has not been favorable. While the decline in value cannot wholly be attributed to the unfavorable operating situation, being in part a reflection of the general decline, a comparison of the high of

(Continued on page 2, col. 4)

'Good News' Factor in C. P. R. Advance is Most Consistent

Recovery from Year's Low Follows Increase in Net Revenues

STOCK IS POOL PROOF

Rise in Shares After Higher Earnings Are Reported Has Held Good for Quarter Century

By GARY MOORE
Article II.

Probably the most insistent inquiry from the layman in finance, the average man in the street, is relative to the selling price of securities "Why does this stock sell at such a figure and that stock for such and such?" is the way the question is put. What the student of the market in most instances is groping for is a yardstick, by which all securities can be measured.

Needless to say even the elder J. P. Morgan or James J. Hill or Baron Rothschild, could not have devised any such miracle of calculus as that for which the layman in finance feels the need. Nor is he alone in this. The more advanced student of corporation analysis often sighs at the variance in balance sheets and income accounts. Each day testifies to the inadequacy of thumbnail rules. The layman actively seizes upon such axioms as the academically inclined conjure out of their researches—"Stocks sell on the basis of earning power"—"Stocks sell on the basis of yield"—"Stocks sell on a basis of supply and demand." But in the final analysis the student becomes convinced that securities sell on the basis of all these things, or again on the basis of none of them—plus the vagaries of the human mind which always, and will always, translate fact into individual opinion.

Even such an old-line investment security as the ordinary shares of Canadian Pacific Railway, its merit proven by a slighter variance with fact over a long period of years, than most any other common stock that could be cited, holds an element of mystery. However, this is the prime requisite of the market-place; without change, without growth, without difference of opinion between investor and speculator, [illegible]. And without fluctuations the chance of profit would be reduced to inconsequential proportions, while the chance of loss would still hold its relative position.

What C. P. R. is Selling For

Fluctuation in ordinary shares of C. P. R. during this year has been from a high of 223¾ on May 8, to a low of 195½ June 19; and back to 215 as this is written.

At the low, the market valuation on the ordinary shares was $573,371,130. Including the 4 per cent. non-cumulative preferred and the funded debt (bonds outstanding plus perpetual consolidated 4 per cent., debenture stock) the market as of June 8, placed a total valuation upon C. P. R. of $1,014,259,611. This compares with total assets of

(Continued on page 2, col. 5)

Sarnia Elevator Co. Bought by Playfair

From Our Own Correspondent

MONTREAL. — A deal has been consummated whereby James Playfair and associates have acquired the Sarnia Elevator Company. The transfer of the private stock of the company to James Playfair has been practically completed and official announcement, in detail, is expected shortly.

Municipal interests in the Sarnia Elevator remains as heretofore, and any purchaser of the private stock of the company assumes the obligations to the city under the agreement of sale completed at the time of construction. The Sarnia Grain Elevator was completed last fall at a cost of approximately $520,000 of which $400,000 were spent by the city of Sarnia. Under the agreement of sale purchase of the city interest is spread over a period of twenty years, the annual payments, including interest, being $32,097.

MONTREAL COKE STARTS CAREER WITH GOOD SALES

Over Half Coke Output Sold in Slack Period

OLD PLANT INACTIVE

Montreal Power's New Subsidiary Now Supplies Entire Gas Requirements

From Our Own Correspondent

MONTREAL. — The Montreal Coke and Manufacturing Company during the initial three months of its operations has, apparently, been decidedly successful. The company has sold 55 per cent. of its coke output during the summer months—when fuel sales are always slow.

Investment interest in the Montreal Coke and Manufacturing Company centres only on a $4,000,000 issue of bonds which were offered the public in the middle of 1927. The stock capitalization is owned entirely by Montreal Power and the Koppers Company, which are joint owners of the project.

The subsidiary company's plant consists of by-product coke ovens which adjoin the Montreal Light, Heat and Power Company's Ville La Salle gas plant in Montreal. The Ville La Salle plant has been leased to the subsidiary at a dollar a year and Montreal Power is now obtaining its entire gas requirements from the subsidiary.

Started Operating Recently

The plant first went into operation at the end of June this year. The output consists of gas which is sold under contract to Montreal Power, by-products, for which there exists a ready market, and coke, for profits, the subsidiary depends on the sale of its coke output which sells at a figure substantially below the price of anthracite. It is anticipated that this coke will supplant in the Montreal market large quantities of anthracite hitherto imported for domestic heating purposes.

As the Montreal Coke and Manufacturing Company only had to bank 45 per cent. of its coke output during the slack season of the year, the demand for coke from the plant during the colder months will obviously reach a high level. In the meantime, the Montreal Power gas plant has been closed down. It will only be reopened as, if and when the demand for gas in Montreal exceeds the supply obtainable from the new coke subsidiary.

The Ville La Salle gas plant of Montreal Power made gas primarily, with coke as a by-product. The plant

(Continued on page 2, col. 2)

English Electric Plan Rapidly Gaining in Favor

Flood of Proxies from All Parts of Canada and United States Received in Reply to Recent Circular

Judging from the rate at which proxies are now being received by officers of the English Electric Company of Canada, considerably more than the 75 per cent. favorable vote of both preferred and common stockholders will be received before the postponed meeting is held on October 25. In response to a circular requesting proxies, sent out by the management less than a fortnight ago, each day's mail has brought in a large quota of proxies, the total for the first few days running well toward 2,000 shares and representing holdings of several score of the smaller shareholders.

These shareholders, chiefly owners of very small amounts of the preferred shares of the company, are located all over Canada and the United States, all quarters of the Dominion being represented by the grist of proxies received in the past two weeks to ten days. In some cases they represent shareholders who had not previously been circularized; and in other cases they evidently are from owners of preferred stock who did not desire to act hastily and who wished to examine carefully into the merits of the proposals before committing themselves to the plan of reorganization.

Examination of the new plan of capital reconstruction and the position of the shareholders therein, shows that under the new scheme the preferred shareholder stands to gain immediate resumption of dividends and even though the initial rate is less than he might feel entitled to under the old capital structure, as he has received no dividends at all for many years he is that much better off; and if the expected improvement in business due to an improved position for the company, comes to pass, the additional amount of dividend can quickly be made up, and likely will promptly be paid as upon the payment of the maximum dividend of $4 a share on the "A" stock depends payment of anything more than a small percentage on the common stock.

Sees Great Growth for Winnipeg Area

A. W. McLimont Predicts Power Development Will Add 200,000 to Population of Greater City

Special to The Financial Post

WINNIPEG.—A. W. McLimont, president of Winnipeg Electric Company, made the following statement before the annual meeting Young Men's Board of Trade, Winnipeg, this week: "At the annual meeting of this section of the Winnipeg Board of Trade held two years ago, I gave the first public announcement regarding our plans for future power development, the announcement was received by the business community with some degree of doubt. Then, just as was done several years before when the Great Falls project was commenced, the question was asked "What will they do with the power?"

"Some went so far as to say the whole thing was a dream. It was no dream. To-day men are building a railroad to Seven Sisters Falls and in a few short weeks there will travel over that railroad thousands of tons of Winnipeg-made products to be used by hundreds of Winnipeg wage-earners to build the most modern Hydro-Electric power plant on this continent. Twenty-five million dollars will be invested in this new plant and as every dollar spent on the plant will cause at least $5 to be spent in general industrial development, Greater Winnipeg can look forward to a total investment of $150,000,000 as a result of the development of Seven Sisters Falls.

Brings Population

"Statistics reveal that for every 1,000 h.p. depeloped in a community work is provided for 385 employees, representing a payroll of $580,000 and a total addition to the population of 2,000 souls.

"Using these figures in a very conservative manner we find that the power developed at Seven Sisters Falls will give steady employment to over 50,000 wage earners, will increase our population by over 200,000 and will add $50,000,000 per annum to Greater Winnipeg's payroll.

Investors' Index

INDUSTRIALS, UTILITIES, ETC.

Asbestos Corp.	9	Howard Smith	[illegible]
Anglo-Can.	25	Harding Carpet	[illegible]
Anticosti Corp.	31	Hinde & Dauch	[illegible]
A. P. W. P. & P.	31	Ham. Bridge	[illegible]
Algoma Pulp	29	Interlake Tissue	[illegible]
Arnold Bros.	4	Int'l (Nfld.)	[illegible]
Abitibi P. & P.	44, 48	Int'l Paper	[illegible]
Assoc. Brew.	5	Int'l Util.	[illegible]
B. C. Packers	9	[illegible]	[illegible]
Bell Tele.	17	[illegible]	[illegible]
Brading Brew.	9	Imperial Oil	[illegible]
Bathurst P. & P.	31	Laurentide Co.	[illegible]
Beld.-Corticelli	13	[illegible]	[illegible]
Belgo-Can. Paper	26	Lincoln Paper	[illegible]
Bldg. Prod.	27	Minnesota & Ont.	[illegible]
B. C. Pulp & Pap.	27	Montreal Coke	[illegible]
Brompton P. & P.	24	Montreal Power	[illegible]
Brown Corp.	22	Mfg. Finance	[illegible]
Bruck Silk	13	Mersey Paper	[illegible]
Can. Packers	9	North. Paperboard	[illegible]
C. P. R.	9	N. Bawlf Grain	[illegible]
Chas. Gurd	8	Nashwaak Pulp	[illegible]
Can. Canners	9	N. S. Light & Pow.	[illegible]
Can. West. Gas	9	[illegible]	[illegible]
Can. Biscuit	9	Power & Paper Inv.	[illegible]
City Dairy	9	Price Bros.	[illegible]
Can. Paperboard	25	Power Corp.	[illegible]
Can. Pow. & Pap.	29	Page Hersey	[illegible]
Canada Paper	29	Port Alfred	[illegible]
C. P. R.	1	Provincial Paper	[illegible]
Can. Ind. Alcohol	1	Powell River	[illegible]
Crown-Zellerbach	29	Pressed Metals	[illegible]
Clyde & Sissiboo	41	Quebec P. & P.	[illegible]
Corrugated Box	42	Restigouche Co.	[illegible]
Continental Paper	49	Rolland Paper	[illegible]
Can. Dredge	10	Royal Exch. Bldg.	[illegible]
Can. Wineries	9, 17	Russell Motor	[illegible]
Can. Vinegars	9	Riverside Iron	[illegible]
Celtic Knit	9	Service Stat.	[illegible]
Can. Permanent	9	Sarnia Elev. Co.	[illegible]
Don Valley Paper	26	St. Law. Pap. Ml.	[illegible]
Dom. Bakeries	5	Sarnia Bridge	[illegible]
Dom. Bridge	4	St. Regis Paper	[illegible]
Donnacona Paper	26	Spruce Falls P. & P.	[illegible]
Dryden Paper	31, 48	St. Maurice Valley	[illegible]
E. B. Eddy	39	Sec. Gen. Trust	[illegible]
East. Steel Prod.	4	Thunder Bay Pap.	[illegible]
Fraser Cos.	22	Traymore	[illegible]
English Electric	1	Tip Top Tailors	[illegible]
Famous Players	9	United Gas & Fuel	[illegible]
Fanny Farmer	3	W. R. Brock (W.)	[illegible]
Great Lakes Paper	27	Wentworth Radio	[illegible]
Georgetown Paper	27	West Can. Flour	[illegible]
Gatineau Power	5	Wayagamack	[illegible]
H. Walker-G. & W.	3	Westminster Paper	[illegible]
Hydro Elec. Sec.	9	West. Que. Paper	[illegible]

MINES

Amulet	19	Lake Shore	[illegible]
Amulet	18	Lartic	[illegible]
Bidgood	19	McLeod Oil	[illegible]
Blue Quartz	19	Mond Nickel	1, [illegible]
Cariboo Copper	19	Malartic	[illegible]
Can. Smelters	18	Mond Nickel	[illegible]
Evangeline	19	Noranda	[illegible]
Gold & Explor	19	Porc. Granite	[illegible]
Hunton	19	Sherritt-Gordon	[illegible]
Int'l Nickel	1, 18	Sudbury Basin	[illegible]
Int'l Minerals	19	Sisco	[illegible]

QUOTATIONS

Bonds	10	Mining Stocks	[illegible]
Listed Stocks	10	Unlisted Stocks	[illegible]

REGULAR DEPARTMENTS

Editorial .... [illegible]
Business Review .... [illegible]
Your Investments .... [illegible]
When Women Invest .... [illegible]
Banking .... [illegible]
Insurance .... [illegible]

SPECIAL SECTION

Pulp and Paper .... 21-[illegible]

Ham. Bridge Earnings Are Still Growing

From Our Own Correspondent

MONTREAL.—It is said that during 1929 the orders which the Hamilton Bridge Company now has on hand indicate that the entire capacity of the plant, namely 48,000 tons, will be reached. The output this year will amount in round figures to some 32,000 tons; this compares with a 21,560 ton figure in 1927.

In 1927, with an output of 21,560 tons, the company earned $1.85 a share on its common stock, or rather on the common stock now outstanding. The company was refinanced earlier this year. As the production for 1929 will, according to indications, be twice that of 1927, earnings on the common stock will, of course, be much more than proportionately larger. It is obvious that net profits always increase more rapidly than gross, for fixed charges, preferred dividend requirements and operating costs, added together, form a total which shows not a very large fluctuation with the ups and downs of business. Moreover, in former years the capacity of the bridge-building plants in Canada far exceeded the demand, with the result that in bridge-building, a buyers' market decidedly prevailed.

But the situation has now changed and virtually all the plants will operate at or near capacity. Hence, it can be taken for granted that the companies are obtaining better prices for their output.

All of which indicates clearly that at its present level of about $43 a share, Hamilton Bridge stock is not selling at too optimistic levels.

NATION'S BUSINESS

(Continued from page 1)

ticipation in the activities of the company from which they purchase power.

It is certain that by giving its customers a full share not only in present profits but in potential future profits, Montreal Light, Heat & Power Consolidated has taken a constructive step which should promote fairmindedness toward utilities.

* * *

THE pulp and paper industry is the largest industry in the Dominion: it buys more, sells more, pays more in wages, and exports more than any other industry.

Canada has reason to be thankful for the amazing growth which the industry has experienced—a growth which is adding materially to the level of prosperity prevailing throughout the whole country. But the Dominion can congratulate herself more on the fact that what might be called its one big business is not headed by little business men.

* * *

MANY things indicate the capabilities of the leaders in the newsprint and pulp industry. Perhaps the chief of these is the fact that in good, bad, or indifferent times, there is not that continuous demand for governmental aid and paternalistic legislation which characterizes many other not insubstantial Canadian industries. The pulp and newsprint industry asks none of these things.

One of the characteristics of all ably administered and leading business organizations in the U.S. is the manner in which companies such as the American Telegraph and Telephone, General Electric and General Motors, rely on and invest their funds in technical advice, research laboratories and in general in making the fullest use of the remarkable progress which science in all its branches is making.

* * *

THE character and ability of the pulp and paper makers of Canada is evident along these lines also. The Pulp and Paper Association is assisting McGill University not only in establishing and maintaining a Cellulose Research Institute, but in other departments as well. In addition, the individual companies are largely administered by technical men of one kind or another, who in turn have seen to it that the individual companies follow policies directed by their own technical departments.

* * *

MOST newsprint men feel that their section of the industry is to experience a period of thin times—there are, however, some in the industry who feel that 1929 will witness a material betterment in the conditions under which the newsprint companies operate. But whether or not the industry will become more prosperous in a few months is immaterial; the fact that the industry is guided by men of character, intelligence and vision is one of the chief factors in making the long pull outlook for the industry as a whole promising.

* * *

THE above applies to the newsprint industry. It is unfortunate that the book paper manufacturers as a class have not been as large in their views or as far-sighted. The one essential to security of business is the good-will of customers, and some of the book paper manufacturers of Canada have been amazingly careless about the opinion of their very biggest buyers. They have been careless in their service and seemingly lacking in appreciation of the value of building up Canadian domestic publishing which will give them the long runs required to get down costs. Because of this carelessness, conditions have arisen which cannot be called harmonious.

There is a danger in this situation for the whole pulp and paper industry, since the public mind may confuse these book paper producers with those men of vision who have been building up the newsprint and pulp industry. For this reason it will be a fine thing for Canada as a whole if these men will exert every influence to have all the book paper men adopt the large viewpoint that has helped so in the development of the newsprint and pulp industry.

* * *

IT REQUIRES a world-war to get the mass of the people talking and thinking about questions of international import. Now, ten years after a struggle that affected all, interests again are primarily parochial—in Canada, in Britain and in the Antipodes.

This probably is the reply to the remarks of the Rt. Hon. Hugh P. Macmillan, P.C., K.C., in his address before the joint meeting of the Empire Club and Canadian Club in Toronto recently. Mr. Macmillan deplored the lack of information in Canadian publications regarding affairs in Great Britain, and also the lack of information in British newspapers regarding Canadian affairs. Much of the cable news relates to crime and much relates to matters which the serious student would regard as trifling. It would be advantageous to humanity if people in general had broader and more sympathetic understanding of others, no matter how far removed. Especially would it be in the interest of the British people if the liabilities of distance were minimized, as Mr. Macmillan suggests, by a greater dissemination of intra-empire information.

Yet it is questioned if newspapers in either country will find it expedient to devote much more space to cable news which would only interest a small percentage of their readers. After all, it is likely that the daily newspapers know fairly well the kind of news their readers wish. In point of numbers there is a rather limited number of persons of any country who take a national, let alone an international, point of view. That number may not be more than 10 per cent. of the total readers of daily newspapers.

* * *

THIS 10 per cent. has come to look to other sources to supplement their information on many national and most international, events. In both countries there are a number of business newspapers, magazines and illustrated publications 90 per cent. of whose readers would be in the class interested in the subjects which are covered very briefly, or not at all, in the daily newspapers. These weekly, semi-monthly or monthly publications are endeavoring to give information of such character that their readers have a broad and precise understanding of questions of national and international importance. That the editors of these periodicals are succeeding in interpreting the wishes of their readers is evidenced by the steady growth in circulation and influence. It is a growth which is perhaps a yardstick of a nation's intellectual growth.

Mr. Macmillan should be encouraged, as the publishers of business newspapers and magazines are encouraged, by the fact that there is a steady growth in the number of people who are thoughtful, who are successful, and who are in position to take advantage of the quicker means of transportation between Great Britain and the various dominions. It is this growing class that is served by the business newspapers and magazines and weekly papers of comment.

Heads Grain Exchange

JAMES A. CROWE
The new president of the Winnipeg Grain Exchange is secretary of the British Empire Grain Co., Winnipeg. He is a native of that city. He was educated in Winnipeg and at St. Andrew's College, Toronto. He was wounded in France while a captain of the 43rd Battalion. He is 38 years old.

Regent Knitting Mills Net Profits Running $4 a Share

From Our Own Correspondent

MONTREAL.—The Regent Knitting Mills, formed last spring to acquire a company of the same name as a going concern, reports earnings on the new no par value common stock to be running between $3.75 and $4.00 a share after allowing for bond interest, preferred dividend requirements, and full depreciation.

Up till the time of the new financing, investment interest in the old company was confined to the bond issue which consisted of $551,800, 6½ per cent. first mortgage bonds. Now the capital structure consists of 16,000 shares of preferred, par value $25, and 100,000 shares of no par common stock of which 65,000 have been issued. The preferred stock carries a dividend of $1.60 per annum.

Canada Steamships Has $2,000,000 Claim

From Our Own Correspondent

MONTREAL.—The Canada Steamship Lines is claiming $2,000,000 from the Toronto Terminal Company for land expropriation and for the alleged disturbance of steamer business by the construction of the water front project in Toronto. The case comes before the court on October 23.

The company claims it was forced to move its terminals in Toronto at a cost of $1,000,000 for the land and the same amount for the new buildings. Some $500,000 has been already paid on account by the Toronto Terminals Company, but negotiations for the settlement of the entire claim were unsuccessful. Just how much the Canada Steamship Lines will obtain will now be decided by the courts.

MONTREAL COKE STARTS CAREER WITH GOOD SALES

(Continued from page 1)

of the new subsidiary is designed to extract a larger volume of chemical by-products, such as tar and ammonium sulphate. For these chemicals there exists an excellent market. The process has been developed within recent years and a much larger proportion of by-products is obtainable than in the usual gas house process. The quality of the coke obtained in the newer process is of a grade dissimilar to gas house coke. By-product coke, as it it called, is a better fuel and much more adaptable to domestic heating than gas house coke.

Nation's Commerce

Activities of Canadian Chambers of Commerce from Coast to Coast

From Our Own Correspondent

MONTREAL.—The first meeting of the National Executive for the year 1928-29 will take place in Toronto this week. A very complete agenda has been prepared, and among the important questions to be discussed are the holding of a conference of the various economic interests of Canada, revisions in the constitution and the practical program which the Canadian Chamber will carry out during the coming year. Representatives from the Maritimes, Eastern and Western Canada, will be present at the conference.

The president of the Canadian Chamber of Commerce visited the Prairie Provinces during the early part of this month, where he came into personal touch with many local Boards and Chambers. Mr. Birks was accompanied by the secretary, and for part of the tour by A. O. Dawson. The members of the National Executive in the various provinces visited, also supported the president on his visits to the local organizations.

Mr. Birks was impressed with "an abounding prosperity, a well balanced optimism as regards the future of agriculture, mining and manufacturing, and a finer tone of evident willingness to co-operate with the economic interests of Eastern Canada" during his trip through the Western Provinces.

The Chamber of Commerce at Prince Albert, Sask., is now a member of the Canadian Chamber of Commerce. Prince Albert was enlisted during the recent tour of the executives of the Dominion organization.

The Canadian Chamber of Commerce has received a telegram from the Canadian representative at the International Telegraph Conference at Brussels, stating his appreciation of the stand taken by the Chamber regarding the maintenance of the present telegraphic code regulations.

Colonel C. H. L. Jones, president of the Canadian Pulp Association, has accepted, at the request of the president of the Canadian Chamber of Commerce, the invitation of the International Chamber of Commerce to act as vice-president of the Special Committee set up by them in Paris to make a survey of the world situation regarding pulp supplies, markets and sales.

LARGE SUM IN OLD BONDS IS REDEEMED

(Continued from page 1)

ings in a liquid form until both the bond and stock markets take a turn for the better.

Strengthen Situation

As far as is known, there is comparatively little new financing on the tapis for the balance of the year. The first quarter of 1929 may see a resumption of heavy financing such as that which characterized 1926 and 1927, but present indications do not point to any marked change.

While investment bankers report business as being slow, which is not unusual at this time of the year, an examination of their offerings reveals the fact that the floating supply of securities is being steadily lowered. A good distribution of the newer offerings has been effected by now and the market is taking on greater stability.

It is not unlikely that in view of the "clearing of shelves" and the large amount of money available for investment in sound securities, that bond prices will strengthen before the year end.

SERVICE STATION MOVE PRESAGES HIGHER DIVIDEND

(Continued from page 1)

turers and distributors of pumps for lubricating oil and similar equipment. The Service Station shareholders will be asked to ratify this merger, as well, at the meeting on October 8.

In connection with the acquisition of the Bennett company and to finance further expansion, the shareholders are asked to authorize the issuance of 15,000 shares of 6 per cent. preferred stock of the par value of $100 and to authorize an increase in the Class "A" stock from 45,000 to 75,000 shares.

The present preferred stock of the Bennett company will be retired at 105 per cent. and accrued dividend, and the common shareholders are given the option of $30 per share in cash or accepting an exchange on the basis of $43 for Class "A" Service Station and $30 for the Bennett common.

T. B. Bennett, president, and S. H. Frensdorf, vice-president, of Bennett Pumps, will be added to the board of Service Station, which now consists of A. L. Ellsworth, president; H. W. Knight, vice-president and general manager; Alex. Dawson and H. R. Tudhope.

The merger does not presage any change in the operations of the Service Station and its various subsidiaries. Distribution will be as heretofore, with Service Station selling, in addition to its present lines, the Bennett pumps for lubricating oil, and the Bennett company distributing the gasoline pumps and other devices which Service Station manufactures itself or obtains from its other subsidiaries, Service Stations Equipment Co. of Bryan, O., and the Canadian John Woods Co. These two companies were acquired earlier this year.

EVILS CLOUD NEAR FUTURE OF TEXTILES

(Continued from page 1)

this year with current levels reveals a substantial loss.

Dominion Textile, one of the strongest in the textile group from a point of view of financial stability, touched a high of 134½, dropped to 102 and is now selling around 112. Canadian Converters shows a falling off in value of 20 points from the year's high of 127. After touching 152, Canadian Cottons reacted to a current low of 112. The stock has not been traded in actively and few bids are forthcoming. Montreal Cottons stock has ranged between 110 and 115, with little or no bidding.

There is no doubt but that all companies are suffering from severe competition from American and English sources. The general improvement in domestic conditions, however, should create a better demand. The need is still apparent, however, of placing before the Canadian public the advantages of buying Canadian-made cotton textiles. As The Financial Post pointed out some effort along that line was being considered by the textile manufacturers, but to date no action has been taken. It is possible, however, that a national publicity or advertising campaign will be undertaken before long which should be of immeasurable help in creating goodwill toward the Canadian product and increasing the demand therefor.

At the moment the textile companies are not saying a great deal, either about their operations or the prospects of an improvement in the general situation. Wabasso has completed extensions to plants which give the organization the most extensive manufacturing facilities since the inception of the company. The company is also building up a business in silk and artificial silk lines with considerable success.

Canadian Converters stand to benefit considerably from the effects of a good crop in the West this year. The company's products have a wide distribution throughout Canada, and the purchasing power of the Western Provinces should have an advantageous effect on the earnings of the company.

Business in the West Indies is not showing any marked improvement, as the difference in seasons makes for considerable difficulties in marketing a special line designed for seasonal wear. Canadian Converters also do a certain amount of business in Newfoundland, but an equal tariff rate with England and the United States makes a difficult market, a condition partially offset in the case of the West Indies by a preferential tariff.

Dominion Textile and the other companies are not lagging behind in going out after new business, and the next annual statements should show an improvement. It is likely that the textile companies have passed through the worst period and that from now on a gradual improvement will take place, which will put the different companies back on a strong operating basis, which made them at one time, one of the most attractive of Canadian investments.

'GOOD NEWS' FACTOR IN C.P.R. ADVANCE IS MOST CONSISTENT

(Continued from page 1)

the company of $1,169,297,953 in the last reported consolidated balance sheet.

The high of 223¾ placed a market valuation of $646,456,882 on the 2,889,134 shares of ordinary outstanding and $1,087,335,370 on the entire capital structure.

The recent price of 215 places valuations of $621,163,810 and $1,062,042,298 respectively.

In our analysis of the position and prospect of C. P. R. ordinary shares, we at present pass these statistics without comment. For as we proceed it will be discovered that almost as many reasons can be cited for the selling price of this stock as the far-flung ramifications of the company itself. We have simply determined what C. P. R. is valued at in the market.

The table published with the previous article carried the high and low prices for 10 years back. Continuing this examination for 28 years it is discovered that the highest price at which the stock ever sold was 283 in 1912. The lowest was 87 in 1901. In no other year in the present century has C. P. R. sold below par or $100 per share. In 1921 it reacted to 101, after which it began an advance which has been steady for the last seven years, the 1928 high of 223¾ being the record price since 1913.

Rises After Good News

Close study of the price range over a wide range of years brings to light a characteristic to which C.P.R. has held true—the tendency to advance only after reports of increased earnings or other betterments have been published and made available to the public. There is a superstition in Wall Street that stocks should decline on "good news." And it is a well known fact that this is often the case. The reason cited for this is that there is generally accumulation by inside interests who are better informed than the general public as to enhancement in values, and selling by these insiders to take profit on stock accumulated lower comes into the market as the public rushes in to buy.

However, students of some of the larger corporations in the United States, such as General Motors and United States Steel, in recent years have noted the tendency of these companies to advance rather than decline on "good news." It is held that the capitalizations are too large to permit of market manipulation by any one group of operators, even the largest banking interests. This would hold equally true of C. P. R., one of the relatively few companies in the world in the billion dollar class.

For the year 1926, C. P. R. reported a large increase in earnings, net income for the first time within 10 years rising to above $40,000,000. However, the high price for the stock in that year was only 170¼ and it was not until the following year when the annual report had been given wide dissemination that an advance was made to above $200 per share, the top for the year being 219.

Likewise, when net income in 1927 was reduced almost $5,000,000—the earnings per share declining from $14.12 to $12.08, any selling upon "bad news" was so late in coming into the market as to be almost imperceptible.

C. P. R. has held true to this characteristic for over a quarter century—the tendency to advance only after "good news" has been made public.

Why Stock is Pool Proof

The element of distribution is another reason for the absence of violent fluctuations in this security. It is held in more different countries than any other security of a similar nature and is more internationally traded in than possibly any stock in the world. It is listed in Toronto, Montreal, New York and London and is traded in Holland, France and Germany.

Because of these facts it is not open to pool operations. In fact it is one security that is practically "pool proof." The prime requisite of pool operations, such as have characterized the violent markets on the New York exchange the last several years is absolute control of the floating or trading supply of the stock to be manipulated. It is simply beyond the imagination that any group could control at one time the markets for C. P. R. in the various international financial centres already mentioned. So C.P.R. is a prime investment proposition that must remain without interest for the speculative pool manipulator. It is almost outside the pale of speculation. This must not be misconstrued that the issue is without speculative possibilities, an entirely different thing, which can be dealt with only after we have examined the large number of enterprises the company is interested in, and which because of the chance for appreciation in the future lend themselves to the investor's imagination.

Prospective Values

By nature of the volume of trading, the market for C. P. R. is made in New York. The recent speculative excesses in that financial centre, have almost completely been confined to industrial rather than railroad securities. Where the speculative flavor has been introduced among railroads it has been based upon the "merger possibilities" of various American roads that are under compulsion from the government to combine their properties in accordance with the Transportation Act of 1920 of that country. Appreciation in the market price of C. P. R. the last year must therefore be attributed to investment buying. There has virtually been no "railroad market" in the parlance of the exchange. If such a situation should develop, if the fever should spread to the railroads, there is slight doubt that Canadian Pacific would be actively traded in and share in any general upturn.

However, expectation of an appreciation in market price for the future, can be based upon more tangible foundations. The analysis of income made in the previous article, revealing that record gross earnings for 1928 is practically certain and a relative increase in net profits logical, is sure to prove a factor.

Another important factor, probably the prime factor over a period of years, is the tendency for increased freight density in the West. When C. P. R. is compared with railroads of the United States it suffers only on this one point—low freight density. The Union Pacific system, for instance, has an average of gross revenues per mile, 25 per cent. greater than C. P. R. However, when the comparison is extended it is seen that C. P. R. has a relatively low capitalization per mile. This reflects the plowing back of earnings into the company; which policy the directors have pursued practically since inception. This means that every marked increase in freight density will be reflected materially in net earnings. Given the same density as Western roads in the States, the net earnings on present capitalization would place the Canadian road far ahead in earning capacity.

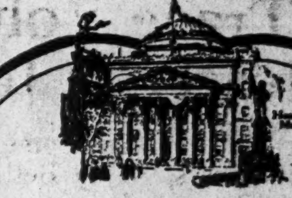
This is one of a number of reasons which can be cited for a capital split-up in C. P. R. ordinary shares—and which at some future date, entailing upon the discretion of the directors, is certain to benefit stockholders. And it is from enhancement in equities—the result of surplus being reinvested in preparation for potential expansion—that shareholders should base expectation of profit, rather than from immediate increase in cash returns in the form of larger dividends. It is to be noted that the present tangible asset value of the shares are about $185—and with assets such as securities shown at cost with market appreciation running into millions, the possibilities of a capital split-up at some future day become more in the nature of a probability

Earnings and Prices

Analysis and comparison of the trmendous values to be discovered in Canadian Pacific's general consolidated balance sheet, must await another article, while we return to an examination of fluctuation in market price. It has been noted that the year of highest net profits in a decade, 1926, with $40,725,039 found the top price for the stock that year at 170¼. The advance to above 200 coming the next year, when the betterment had become more generally appreciated. Looking back we discover that in 1913 and 1914 the stock sold over $200 and in both these years net operating revenues exceeded $40,000,000. From these years until 1927 not once did the stock cross 200 and only in 1917 was the $40,000,000 net operating revenue total substantially passed. While 1916 reported record operating revenue of $49,225,920 it was in that year that the date of the fiscal year was changed, making it less applicable to the comparison.

It is not to be presumed from the above that when net operating revenue in the past exceeded $40,000,000 it was the signal rocket for an upturn in the stock to above 200. However, it shows the general tendency of the stock to advance in ratio with the increase in net operating revenues. In 1927, while net profits dropped almost $5,000,000 net operating revenue showed but slightly under the magic $40,000,000 mark—totaling $39,515,572.

It is not difficult to attribute the advance in the shares from the low of 195½ this year to 215 at this writing to the increased revenues derived the first eight months of 1928 from last year's harvest. Likewise when the prospect of record gross earnings in 1928 is translated into a prediction that the $44,945,127 net operating revenue mark established in 1926, will be substantially exceeded—this advance can be held to seem quite conservative. If in any event, this estimate should prove to be too conservative and the record of $49,225,920 net operating revenues of 1916 should be exceeded, the reflection marketwise might prove to be pronounced. For despite the recovery in market price from the low of the year, the view must be held that C. P. R. holds to its old characteristic of advancing after the good news is out. The recovery this year has been influenced by the substantial gains in gross and net operating revenues over 1927 at a time when American railroads generally have been reporting decreases. Given record net operating revenues approaching the $50,000,000 mark—an estimate entirely within reason—C. P. R. would have a generous amount of ammunition to continue its appreciation in market price.



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Deposits (Oct., 1927) £44,186,574
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Deputy-Governor: Rt. Hon. the EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.
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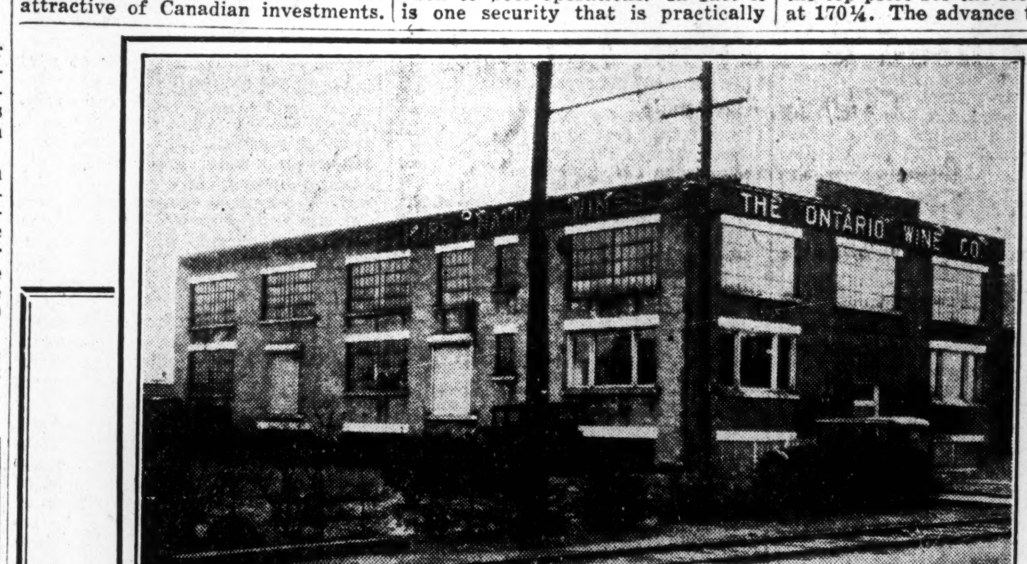

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August Trade Volume Nearly at July Peak

Certain Lines Are Slower, But Some, Including Railways, Auto Makers, Enjoy Better Business —Outlook Favorable

By SYDNEY B. SMITH, Ottawa

The volume of general business was well maintained in August, according to an index embracing 26 factors generally regarded as being of a significant character, in appraising the trend of business conditions. A majority of the factors showed moderate declines, but this tendency was nearly counter-balanced by marked increases in the remaining lines.

Automobile production, after seasonal adjustment, was greater than in any other month, the Ford plant having a considerably greater output. Most of the difficulties arising in connection with the new model have now been fairly well solved and production is being speeded up to meet the strong demand in domestic and external markets. The output in the industry during August was 24,274 cars and 6,971 trucks compared with 20,122 cars and 5,104 trucks in July.

Newsprint Output Higher

While the primary iron and steel industry during July and August did not maintain the high level of the first part of the year, the production of pig iron and steel ingots and castings was continued in satisfactory volume. The output of iron in August was 91,522 tons compared with 94,422 tons in July, while steel showed an increase at 88,677 tons compared with 82,807.

The production of newsprint in August exceeded 200,000 tons for the second time, the output being greater than in any other month with the exception of last May. The output of newsprint is normally greater in August than in July, but the gain was much greater than the increase which would be expected from the experience of the preceding years. Average production during the month was only 78 per cent. of capacity as against 79 per cent. in July and 81 per cent. in August last year.

Automobile Sales Grow

The saturation point in the sale of motor cars in Canada is far from being reached, judging by the consumption of crude rubber and petroleum. All signs point to this season being much in advance of all previous periods in the output of gasoline and tires. The imports of crude petroleum in August were 85,900,000 gallons, which this year was only exceeded in June when more than 89,700,000 gallons were imported. With the crude petroleum made available in such large volume, in addition to the recent advance in the price, it is easy to visualize prosperous conditions for the principal oil companies.

The output of coal from Canadian mines showed an increase in August, being larger than in any month since February. With an output of 1,535,000 tons, it may be said that the industry is fairly active for the season. Notwithstanding increases in the exports of silver, copper and zinc, the index of the mining industry showed a moderate recession in August. The export of silver from Canadian mines was 2,080,000 ounces, which is the largest movement to external markets for some time. The sale of gold, nickel and asbestos showed a decline from the preceding month.

Rail Traffic Heavier

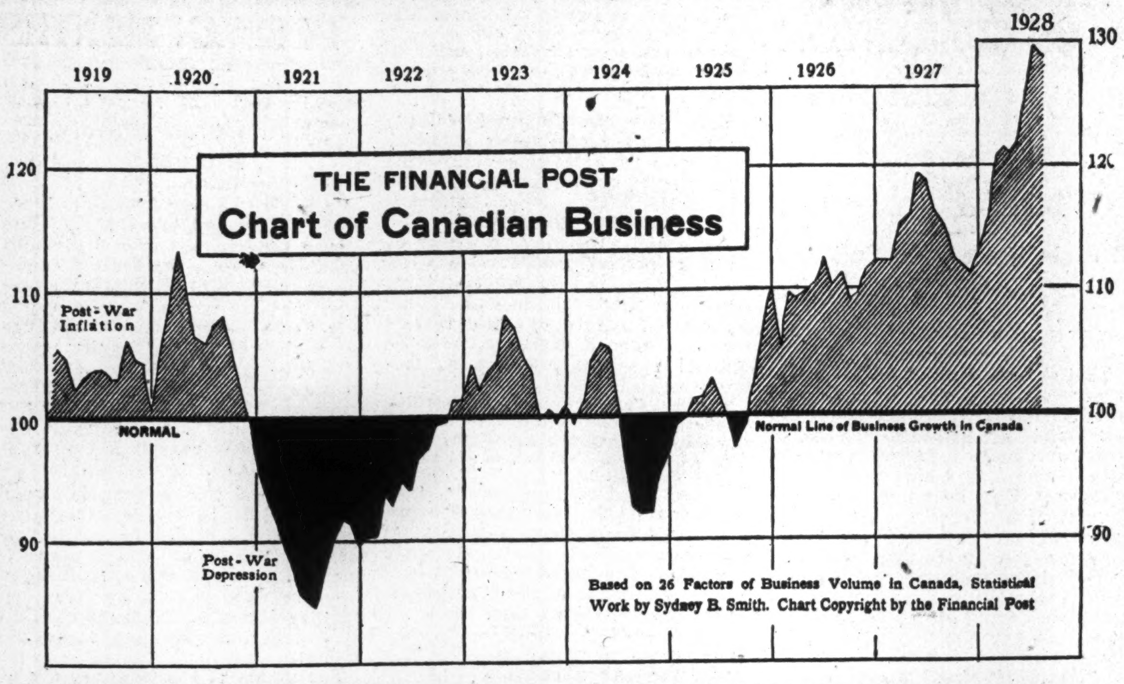
The increase in revenue carloadings in August, in spite of the lull in the grain movement due to the fact that it was too early for the extensive shipments of the new crop, though the marketing of the old crop, as far as the Western division was concerned, had been fairly well completed in July, speaks well for business conditions generally. Carloadings in August were 312,816 cars compared with 290,677 cars in July. The rate of gain in the cumulative carloadings for the first eight months of the year has been well maintained since the record was first kept in 1923, and the harvesting of the largest grain crop in the history of the Dominion appears to insure that the rate of expansion may even be improved upon while the present crop is being moved to market.

Optimism Justified

In spite of the migration of a considerable number of industrial workers to the harvest fields of the Western provinces, the index of employment, after slight adjustment for seasonal tendencies, was fully maintained at the beginning of September. The index of employment reached on August 1, the highest point since the record was first compiled in January, 1920, and with the aid of a party of British immigrants, having met the demand for assistance in harvesting Western crops which was much larger than usual, the working forces in industrial vocations showed during August only a slight recession entirely accounted for by seasonal tendencies.

Despite the unfavorable outlook in some quarters, if we were trying to prove the prosperous conditions of Canadian industry, abundant evidence is at hand for the purpose. The several indexes of the physical volume of business which are now being maintained are unanimous in directing attention to the high levels attained during the first eight months of the present year. Statistical information available for the making of a general statement in quantitative form regarding the trend in August, indicates that on the whole an optimistic outlook is justified.

August Trade Down Slightly From July Peak



The index of general business in Canada during August was nearly maintained at the high level reached in the preceding month. Automobile production exceeded all previous records for the month and the output of the primary iron and steel industry showed some improvement over July. The rubber and oil industries were more active, judging by the imports of raw materials. Carloadings were greater in August and promise to break records, while the present grain crops are being marketed. Industrial employment was maintained during August after seasonal adjustment, in spite of the important transfer of working forces to assist in the western harvest. After the marked advance in the volume of general business in progress since 1924, it will be realized that a very high level has been reached and that a maintenance of this level would be satisfactory to most observers of the trend of business.

WRIGHT OBJECTS TO WORD "ATTACK"

Head of Company Says Bureau Merely Reviewed Position

The Financial Post has received a letter signed by James A. Wright, president of the Wright Flexible Axle Motors, Ltd., objecting to a headline in The Financial Post of August 31, in which it was stated that the project has been "attacked" by the Better Business Bureau of Montreal. It is contended that the Better Business Bureau made no attack.

The Better Business Bureau of Montreal issued a bulletin detailing the history of the Wright Flexible Axle project since the days of the Birmingham Motor Co., of Jamestown, N. Y. This bulletin was quoted almost in full. One statement of the bulletin was that "the Better Business Bureau is in possession of a list of assets and liabilities of Wright Flexible Axle Motors, Ltd., which is not at all impressive." This statement is very definitely a criticism and might even justify the word "attack."

Strictly speaking, however, the Better Business Bureau of Montreal does not "attack" any project. It is understood that the purpose of the Better Business Bureau's bulletins is to present facts useful to persons who themselves have not the facilities for investigating stock-selling and other propositions. So far as has been noticed, the bureau has not as yet issued a bulletin on a project the merit of which has not been open to question.

Steel Co. Makes Changes

In the interests of increased capacity and efficiency, the Steel Company of Canada is making a number of changes in its plant at Hamilton. The open hearth furnaces are to be dismantled; the 14 inch and 10 inch rolling mills will be replaced with a modern combination 12 inch and 10 inch train and other changes made, running into a total expenditure of about $6,000,000, exclusive of the $1,000,000 to be applied to the company's harbor

N. Y. Curb Will List Walker's Some Day

No Hurry About It; is Comment From One Quarter, Which Admits That Wall Street Has Been Buying

Stock of Hiram Walker-Gooderham & Worts ultimately will be listed on the New York Curb, but not immediately. This is information which reaches The Financial Post from a person who is in position to know exactly what is taking place in this stock. Incidentally, the information was volunteered that there has been substantial buying from New York in the last week or ten days.

Several Toronto brokers continue to assert that Walker's is the most promising stock on the board. It is reported authentically that earnings continue to be highly satisfactory and it is declared that the ultimate return to shareholders will be substantial. There is a virtual promise from the board that the initial payment of 25 cents extra for the current quarter will become a regular dividend of 75 cents per quarter beginning with the next fiscal year on December 1.

Stock Is Sensitive

Listing the stock on the New York Curb would be to the advantage of shareholders in general in providing a broader market. Walker's on the Toronto Curb has proven to be a highly sensitive stock, the day-to-day fluctuations being wider than is believed should be the case of a stock in a company earning as well as is Walker's. The fact appears to be that there is an unduly large proportion of the 660,000 shares carried in brokers' names and that there is a temptation to unload this stock at the first sign of market trouble.

All the purely Canadian liquor stocks, with the exception of Canadian Industrial Alcohol, have been hazardous to hold on margin, because the industry, in the minds of the public, is subject to what has been termed legislative hazard. The publicity given to the export business at the Windsor border undoubtedly has had an adverse effect on these stocks. The companies themselves are not involved in any way, it is said, with the actual export operations. But if this export business were stopped in response to demands from a portion of the public, earnings of all the companies whose products are sold to exporters might drop somewhat. The possibility of the export business being stopped is considered exceedingly remote.

New Air Mail Routes

Air mail routes as disclosed by the Canadian Transcontinental Airways report will include Hamilton. Mail from Halifax, Saint John and Quebec, destined for Western Canada and the United States will be transferred from planes in Montreal to planes for flight to Ottawa, Kingston, Toronto, Hamilton and other cities.

INTER. TRANSPORT EARNINGS GOOD

Company Has Worked Out Strong Position In Past Year

Interlake Transportation Co., Ltd., is stated to have had a profitable season this year, with its sand and gravel contracts working out quite beneficially. While no earnings' statement has been made public for the previous season, it is also known that profits were quite satisfactory for 1927. The company recently called and retired some $16,000 of the original $200,000 6 per cent. bonds issued a year ago, and there now remains only $184,000 outstanding.

Fanny Farmer Plans To Open Ten Shops

Sales of Fanny Farmer Candy Shops Inc., in August, 1928, amounted to $260,874 as compared with $261,024 in August of 1927. The figure for this year, while slightly under that of 1927, is considered satisfactory by the company, as August of 1927 was comparatively cool, whereas August this year experienced warm weather, a factor which tends to materially reduce sales.

For the eight months to August 31, the total sales were $2,254,749, an increase of $14,217 over the same period in 1927, when sales totalled $2,240,532.

The company will open another district about October 1. Plans for the location of the studio are under way, and eight or ten new shops will be placed throughout the new territory. At present 109 shops are operated.

With good months ahead from a sales point of view, and the additional sales of the new district, the company expects that the 1928 total of sales will exceed that of the previous year.

A Guide to Investors

Prospective investors will do well to select the securities of a company of established reputation whose record of earnings warrants the continuous payment of interest and dividends.

"Timely Investments", a booklet containing short descriptions of a number of attractive bonds and preferred stocks, has been prepared by us as a guide to investors.

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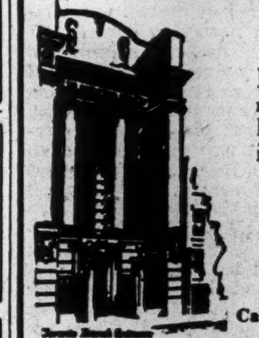

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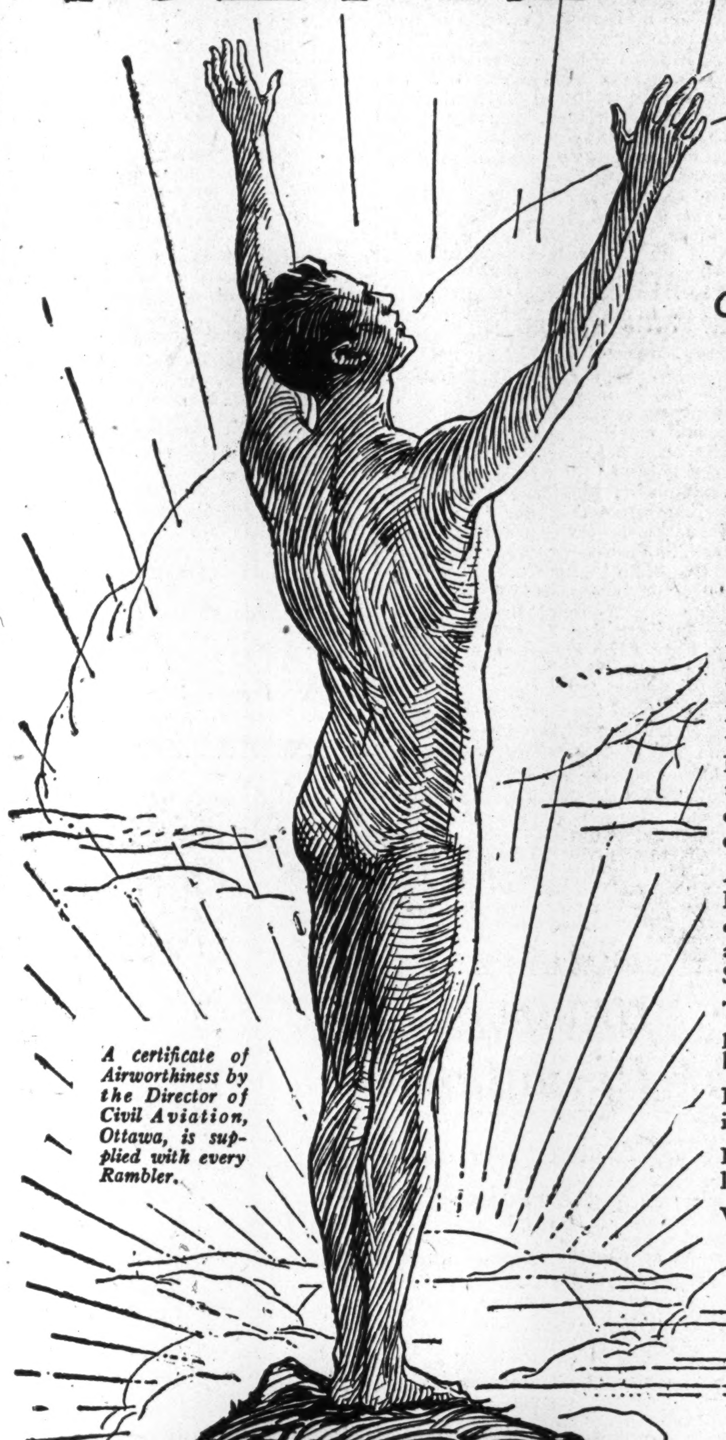

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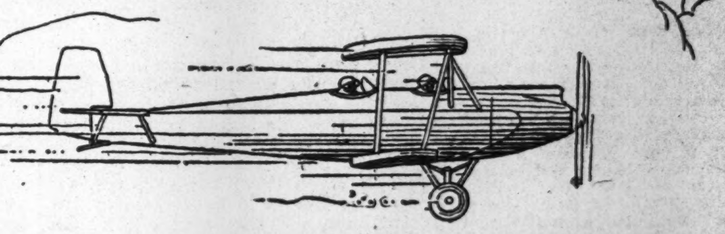

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ADVANCE DIVIDEND MONTREAL POWER TO $2.40 A SHARE

Post's Forecast Borne Out by Directors' Action

ANNOUNCE RATE CUT

Economies Enable Company to Pass Along Savings to Customers in Force in November

From Our Own Correspondent

MONTREAL.—As was forecast in The Financial Post last week, the directors of the Montreal Light, Heat and Power Consolidated have increased the quarterly dividend from 50 cents to 60 cents, making an annual rate of $2.40 instead of $2 per share as heretofore.

In making this announcement the directors stated that this increase has been warranted by economies in operation and is coincident with a substantial reduction in electric light and power rates.

Next month some 19,000 certificates will be mailed to customer-owner shareholders, who subscribed to their stock in 1926. At that time the company offered to its customers, in order to allow them to share in the growth of prosperity of the organization, and further to build up goodwill, $70,000,000 of common stock of the par value of $50 each. Within a few hours this stock was over-subscribed and the heavy over-subscription indicated the confidence of the public in Montreal Light, Heat and Power Consolidated. Payment of this stock was spread over a period of 25 months at the rate of $2 a month.

Hold New Shareholders

It is primarily with the idea of holding these customer-owners that the company has increased its dividend. Since the stock was offered at $50 its market value has advanced very substantially, being currently quoted at 107. This represents an appreciation in value of 114 per cent. since the stock was first offered. It was the feeling that this very handsome profit would cause many of the customer-shareholders to sell their stock. The increase of dividend will undoubtedly counteract any such move and retain for the company a very large percentage of its new shareholders.

According to the last balance sheet of the Montreal Light, Heat and Power Consolidated, as of December 31, 1927, there are outstanding 2,041,837 common shares of no par value. Thus the annual dividend increase of 40 cents a share will mean an additional disbursement by the company in this connection, of $816,734.

Good Stock Record

The record of Montreal Power stock, since the company's inception, has been a favorable one for the shareholders. In 1903, the average price of the common stock was 81¾. In 1916 the stock was split three for one and in 1926 three shares of common stock and one share of preferred were given for each share of capital stock.

The present no par value stock, therefore, represents nine shares of the capital stock of the old Montreal Light, Heat and Power Company and original shareholders have received three shares of preferred stock which was later redeemed.

Counting the preferred stock plus the dividend, original shareholders hav received an average annual dividend of about 17 per cent., and an average yield to purchasers in 1903 of over 20 per cent. Without the preferred stock, the shareholders have received an average annual return of about $11 a year since 1903.

This is by no means excessive when it is compared to any public utility in the United States.

The present dividend rate of $2.40 on the common gives a yield on the offering price of $50 in 1926, of 4.80 per cent. On its current market value of 107 the yield is slightly over 2 per cent. This is not out of line with the yield on other high grade common stocks and when the appreciation in principal is taken into consideration, the yield on the capital investment is a very satisfactory one.

Rate Cut Worthwhile

This week the company announced a further reduction of one-quarter cent per kilowatt hour (7⅛ per cent. to 10 per cent.) on the present net electric lighting rates, effective on consumption after the next regular bi-monthly meter readings; also a reduction of five per cent. in the charges for electricity for electric power service as based on metered consumption (kilowatt hours), and five per cent. on "service charge" for electricity supplied at primary voltage on all energy sold at standard rates except where the supply is used in whole or in part for re-sale for lighting, power or other purposes. These reductions will be effective November, 1928.

In order that flat-rate customers may benefit by one or other, or both, of these reductions the option is given them to convert to metered service.

HUMBERSTONE SHOE PROFITS INCREASE

Company Has Made Real Progress During Past Year

Remarkable progress has been made by the Humberstone Shoe Co. during the past year or more, and the financial statement for the twelve months ended July 31 last, which will be presented to shareholders within the next fortnight, is expected to show profits pretty nearly double the net profits of $52,488 realized last year, a preliminary estimate placing the year's net profit at around $100,000, after provision for depreciation and charges.

Sales for the past year have been practically double those of the previous year, and at the present time they are stated to be so satisfactory as to warrant the greatest optimism as to results for 1928-29, orders at present on hand being largely in excess of any similar period in the company's history.

Special Bonus on Shares

In view of the satisfactory earnings of the company and the excellent future prospects, the directors have decided to pay a bonus of 50 cents a share on the common stock. This will be paid October 15 next, or more than a fortnight before the regular quarterly disbursement of 50 cents a share that will be paid on November 1 next.

Sarnia Bridge Profits About $4 on Shares

From Our Own Correspondent

MONTREAL.—Earnings of the Sarnia Bridge Company are running at the rate of nearly $4 per share on the combined "A" and "B" stocks. The "A' shares are entitled to a cumulative, preferential dividend of $2 per share per annum. Both classes of shares have been listed and have been traded in on the Montreal Curb Market; the "A" changing hands about $31, and the "B" about $29 a share. There are 12,000 shares of "A" stock outstanding and 15,000 of "B".

The "B" have appreciated over six points since they were listed on the Curb, whilst the "A" have remained stationary. Class "A" shares are convertible up to June 30, 1930, into "B" shares. They are callable at $40.

The stock was recently offered. The appreciation in the shares does not appear to be out of line with the current earning power of the company. Appreciation in the "A" stock can only be anticipated as, if and when current earnings are such as to warrant an increase in the price of the "B" stock to a figure in excess of the "A."

CANADIAN STAND ON CABLE CHANGE UPHELD AT MEET

Business Will Save Through Compromise Reached

10-UNIT CODE WORD

Will Not be Abolished but Slight Changes Must be Made — Vowels are Demanded

The proposed alteration in the method of computing code words has fallen through, and a compromise has been arrived at which will save Canadian business men many thousands of dollars in their annual cable bill. At the International Convention held at Brussels this week, the objection to the new plan, raised by business men of Canada, Great Britain and the United States, was sustained, and a new plan devised instead of the proposed alteration which would reduce the length of code words from ten to five letters.

Under the compromise proposal, ten letter words are still to be retained without any increase in cost, and with the rule that they must contain three vowels, one of which must appear in first five letters. The old pronunciability rule, always unsatisfactory, is abandoned, plain language and ten letter code to be charged at existing rates. A new class of word, taking the place of the old cipher, is established. There are no restrictions as to vowels, and it is to be handled at two-thirds of the plain language and code rate. Substitution of three vowels rule for pronunciability will not affect standard codes like Bentley's but will affect certain private codes to a slight extent. Estimates are that about one per cent. of words will have to be changed or pay double.

A further concession to business is the acceptance of five letter code words without any restriction and at two-thirds of the rate now charged for same.

Was Bitterly Opposed

Two years ago a committee of the International Conference met at Cortina, Italy, and drafted a report which recommended, among other changes, a drastic alteration in the computation of code words by reducing the number of letters in a code word from ten to five letters. This proposed change would have added greatly to the annual cable bills incurred by commercial concerns in Britain and on this continent. It was estimated that in the United States the proposed change would have cost $15,000,000 more annually. Business organizations in the United States and Canada strongly protested against this proposal, vigorous representations having been made to the Dominion Government by the Canadian Manufacturers' Association.

What complicated the situation was that neither Canada nor the United States were a party to the International Telegraph Convention. Great Britain, however, was a party to that pact, although as strongly opposed to the proposed code change as Canada or the United States. While neither Canada nor the United States could officially take part in the deliberations of the conference just concluded in Brussels, they were both represented and their arguments against the proposed code change, added to those of Great Britain, had the effect of persuading the other 50 nations in the convention of the soundness of the attitude taken.

The stand taken by Canada's representative to the conference, was supported by a resolution of the National Executive of the Canadian Chambers of Commerce.

National Grocers' Board Unchanged

At the annual meeting of the National Grocers Limited, held in Toronto recently, the following directors and officers were elected:

John Medland, president; Archie Foster, chairman of board; Marland Woolnough, Hugh Blain, W. H. Kenny, A. J. Major, J. F. Grimes, H. D. Whitehouse, Hon. Geo. Gordon, R. A. Daly, M. D. Lemon; T. H. Kennear, sec.-treas.

Putting Less Silver Into Silver Coinage

The amount of silver employed in making silver coinage, is falling off rapidly in Europe, due to the policy of reducing the percentage of silver used, says C. T. Hallinan, London, Eng., in an article in Engineering and Mining Journal. Great Britain started "debasing their silver coinage" and Belgium, France and Italy followed and Switzerland will follow. He quotes a London bullion expert as saying that the tendency has gone so far that it is extremely doubtful if a single ounce of the 1928 production of silver will be absorbed in coinage. Prior to the war one-third the world's output went into coinage.

DOMINION BRIDGE BUYS NEW PLANT IN ONTARIO FIELD

McGregor-MacIntyre Firm Will be Operated as a Subsidiary

From Our Own Correspondent

MONTREAL.—Following a meeting of the directors of the Dominion Bridge Company, it was officially announced that the company has purchased McGregor-MacIntyre Structural Steel of Toronto as a going concern and that hereafter the latter will be operated by Dominion Bridge Company.

Prospects for the company look bright. Earnings depend chiefly upon the number of new bridges and buildings which are erected, and conditions certainly would indicate a maintenance of constructional activity throughout the Dominion.

Shops are located in Lachine, Ottawa, Toronto, Winnipeg and Vancouver with an annual capacity of 135,000 tons of steel, excluding the output of the newly acquired company.

Stock is Active

Dominion Bridge has been strong marketwise lately. Since the stock split in October last year, in which five new shares were given for one old share, the stock has shown a fairly steady appreciation. In January, 1928, rights were offered to shareholders to purchase new stock at $50.00 a share in the ratio of one new share for every eight held. This brought the total of shares issued to 365,625, with 500,000 authorized. On these shares an initial dividend of 65 cents was declared, payable Feb. 15th, which has been sustained in the last two quarterly payments. The company has no funded debt.

Net earnings for 1927 were $1,106,156 as opposed to $572,750 in the previous year, and the company closed its books last year with a working capital of $3,867,685.

The Dominion Bridge Company in addition to its new subsidiary, controls Dominion Engineering works through ownership of 57 per cent. of its stock. This company manufactures paper making and hydraulic machinery, in addition to heavy foundry and machine shop work. Some of its principal contracts in 1927 included turbines for Abitibi Electrical Development, Manitoba Power and the International Paper Co.; newsprint machines for Can. International Paper, St. Lawrence Paper Mills, and the St. Anne Paper Co.

Other subsidiaries of Dominion Bridge are National Bridge Co. of Canada, Canadian Tillsoil Farm Motors Ltd.; Robb Engineering Works, St. Lawrence Bridge Co., Ltd.; and t' Structural Steel Co.

The high of the stock on the Montreal Board was 97 this year, the low 61½, and is now selling around 92.

TURN IN DODGE PFD.

Dodge Bros. Inc. have announced that all but 14,000 shares of the 837,500 shares of preferred stock of Dodge Bros. formerly outstanding, have now been exchanged share for share for stock of the Chrysler Corp. The 14,000 shares not exchanged will be called for redemption January 15, 1929, at 105 per share and accrued dividends.

Western Quebec Mills Pass Into Hands of Liquidator

From Our Own Correspondent

MONTREAL.—High operating costs, and heavy overhead charges are named as the cause of the failure of Western Quebec Paper Mills, manufacturers of several different grades of specialty papers at St. Andrews East, Quebec. The company went into liquidation last week, and is being wound up on the petition of the creditors. P. S. Ross & Sons have been appointed temporary liquidators.

It is understood that the amount of the claims total some $25,200. Of this, $16,000 is in notes held by the creditors, and the balance is a debt owing on power delivered.

Bonded indebtedness consists of $225,000 6½ per cent. first mortgage bonds, due 1948, and $125,000 in 8 per cent. debentures. There are also 10,000 shares of no par value common stock outstanding. These are closely held, being distributed among 17 shareholders.

The bonds, secured by a first mortgage on the lands, mills and auxiliary buildings, machinery and equipment, were issued in 1923 by the Sterling Bond Corporation of Montreal. Interest has been paid to date on the issue. Western Quebec Paper has been in difficulties for the last two years, and it is understood that its losses have run near the $120,000 mark during that period.

The company was originally formed to manufacture tissues, manifold and onion skin papers, with a mill capacity of 1,800 tons a year. The mills were located on the North River at St. Andrews East, P. Q., and the management states that recently several excellent contracts had been secured and that output was being concentrated on the onion skin grade of paper.

Officers of the company are as follows: R. W. Barclay, president, Wm. Currie, vice-president, C. De Wolf Reid, general manager.

On October 8 next, the bondholders of the company meet to decide the course of action they will pursue. Back of the bond issue, there are large assets—but the future outlook for the bondholders is gloomy as the the company appears to have been chiefly notable through the absence of earning power on these assets.

FINANCE CORP. SHARES OFFERED ON GUARANTEE?

Special Consideration in Distributing Assets May be Asked

NO BONDS AT FIRST

"Nearly Perfect," "Well Protected" Investment May Now be Worth Nothing

That shareholders of the Manufacturers' Finance Corporation are entitled to special consideration in the distribution of the company's assets, is the opinion of a large investor in both shares and bonds of the corporation. For, he points out, purchasers of the shares were practically guaranteed safety of investment and every method was employed at the time the stock was offered for sale, to assure intending purchasers that their certificates were just as good as debentures themselves.

"Nearly Perfect" Investment

Perusal of letters from prominent men on the directorate of the company at the time of the company's greatest sales activities, bears this out. Senator Nathaniel Curry, present chairman of the board of directors of the Canadian Car and Foundry Co., in accepting a position on Manufacturers' board, said that he did so partly because "The safety of an investment such as this represents, seems to me as nearly perfect as it is possible to achieve." And this was written at a time when there were no bonds outstanding or even authorized and when the sole capitalization of the company consisted of preferred and common stock, for the sale of which there was then being conducted a vigorous campaign.

The text of Senator Curry's letter is as follows:

Hon. J. A. McDonald,
Amherst, N.S.
Dear Senator McDonald:

In accepting the position on the Board of Directors of the Manufacturers Finance Corporation Limited, I am doing so for the following reasons:

1. The safety of an investment such as this represents seems to me to be as nearly perfect as it is possible to achieve.

2. The need for such a company has been very apparent for many years and I am satisfied that our company will fill a long needed want in the financial future of the country.

The history of these companies not only shows the great benefit accruing from same but also a return, one might say, unequalled in any other such legitimate undertaking.

The best proof of my personal belief in the success of the company is that I have not only accepted a position on the Board but that I have further invested my money in it.

With kindest regards,
Very truly yours,
N. Curry.

Senator Curry's name does not appear as a director during the past couple of years.

"Well Protected"

Along the same line is a letter from R. W. Elliot, managing director of the Nova Scotia Trust Company, dated May 11th, 1923, in which he says "I do not know of any other financial institutions so well protected in its business."

Here is Mr. Elliot's letter addressed to the vendors of the common and preferred shares—the only securities then authorized:

Messrs. Hoxie, MacPherson & Co., Ltd.
244 Bay Street,
Toronto, Ont.
Dear Sirs:

Replying to your enquiry as to my opinion on the merits of the Manufacturers Finance Corporation Ltd. As I understand the plan to be followed in developing the business of your company it would appear to be very profitable and the form of security to be received for its advances is about as sound as it possible to have; in fact as I understand it is the intention to insure the accounts against loss I do not know of any other financial institutions so well protected on its business.

The opportunities for capital in such a company as yours would seem to be very attractive and under the good management it is expected to have, the shareholders should derive every satisfaction from their investment.

Yours very truly,
R. W. Elliot.

Is it any wonder that shareholders thought they were well protected, asks one large speculator, "when such men as the managing director of the Nova Scotia Trust Co., and the chairman of one of the largest car manufacturers on the continent spoke in that manner"?

Less than a year later, when sales of shares were still an important matter, J. A. C. Cameron, under date of April 3rd, 1924, wrote in part as follows:

"The calibre of our Board of Directors is equal to any of the banks. We are earning over double our present dividend and I expect that it will not be very long before the common stock of our company will be on a dividend paying basis."

This letter was addressed to Capt. W. L. Maloney of Ottawa and had to do with the sales campaign being conducted by Capt. Maloney in Cornwall and district.

Absolutely Guaranteed

And finally, the greatest reason of all for special consideration for shareholders, is the actual representations made to them as to the guaranteed nature of their investment. Clause 9 of the Salesman's Manual specifically stated as follows:

9. "The Corporation is indemnified against any loss whatsoever on its paper by the Alliance Assurance Company of London, England, whose assets exceed $142,000,000."

Upon these representations, that the shares of Manufacturers Finance stock sold from time to time were sold as guaranteed investments, rests the claim of the shareholders to special consideration in the distribution of the corporation's assets.

ARNOLD BROS. NEW PRESIDENT IS M. ZAHLER

T. A. McAuley Announces Resignation After Annual Meeting

M. Zahler, who has been general manager of Arnold Bros. since the consolidation of that enterprise with Pure Food Stores under a holding company, Consolidated Food Products, has been elected president of Arnold Bros., succeeding T. A. McAuley, whose resignation was announced this week.

It is understood that the outlook for Arnold Bros. has improved materially in the last few months. Mr. Zahler was head of Pure Food Stores prior to the merger, and the success of that company, it is understood, led to the merger when it became apparent that some changes were expedient in the direction of Arnold Bros. affairs.

Stock Sells at 6

Mr. McAuley became the financial head of Arnold Bros. about two years ago prior to the acquisition of the A. Martin chain of meat stores. Purchase of the A. Martin chain from the William Davies Company was believed to have been a constructive measure but it was not long before serious problems of coordination and personnel became apparent. It was then that the financial control of the company decided on a change. After some time, the merger of Pure Food Stores and Arnold Bros., with the president of Pure Food Stores as directing head, was announced.

It is not pretended that all the problems have yet been solved, but the report published two weeks ago indicated that material progress had been made in recent months and it was intimated that further progress could be reasonably expected.

The stock recently has been selling 5½ to 6.

CANADIAN MARBLE IS NOW AVAILABLE

Substantial Western Deposits Suitable for Building Purposes

Marble from Canadian quarries it is expected will, in a short time, replace a good part of the Italian and American marbles now being imported into Canada for building purposes. Despatches from Winnipeg state that deposits owned by the Manitoba Marble Quarries, Limited, at Mile 39 on the Hudson Bay railway, have been thoroughly tested for density and hardness, samples having been shipped to building interests in various parts of the country; and reports are now to the effect that marble from these quarries is quite suitable for building purposes in both eastern and western Canada.

The company's deposits are stated to be extensive in area, and of such a depth and conformation that single slabs as large as six by ten feet can be obtained. The marble itself is brownish in shade, and said to be suitable for furniture, floors or walls of buildings.

Agencies for this new marble are rapidly being established throughout Canada, and it is the intention of the Manitoba Marble Quarries to put the product on the market in considerable quantity at an early date. The J. G. Gibson Marble and Tile Co. has secured the agency for the product for territory east of the Great Lakes.

TIP TOP TAILORS MAKE GOOD GAINS IN SEVEN MONTHS

Sales Up 16% — Profits Show Corresponding Increase

From figures now available, there seems little doubt but that Tip Top Tailors Limited will exceed previous estimates of earnings for the calendar year 1928. The audited statement for the seven months ended July 31 last shows sales of $2,170,439 against $1,876,745 for same period last year, an increase of nearly 16 per cent. At the same time, certain economies in operation were put into effect; and the net result expected for this year is a very substantial increase in net profits.

Orders on the company's books are stated to be the largest in its history and includes firemen's uniforms for the Toronto force amounting to 700 pieces, and uniforms for the Brantford Street Railway, the Calgary Street Railway and the Calgary police, aggregating some 350 orders.

The plants of the company are at present working to capacity with a good deal of overtime night work necessary. Additional manufacturing facilities including a larger main plant, is one of the things the company is stated to be considering.

One of the features of the company's seven-month statement is the good cash position it divulges. Whereas a year ago the company owed the bank more than a quarter million dollars and had only half their fall goods paid for, they now have more than $100,000 to their credit at the bank with more than three-quarters of their fall goods paid for.

This liquid position of the company and the large orders already received give good hope for larger earnings and profits in the second half of the current year.

STEEL PRODUCTS PROFITS ARE GOOD

Company is Enjoying Prosperous Year — All Plants Busy

Eastern Steel Products, Limited, have been working near capacity for some months past, and earnings for the ten-month period ended this month are stated to be substantially higher than in the corresponding period of 1926-27. The company closes its financial year at the end of November, and record earnings are now stated to be assured for year, representing a tidy surplus on the common stock.

There is no word yet as to dividend policy the company intends to follow, but there is a strong feeling that a disbursement on the common is decidedly likely.

The Preston plant has been particularly busy on steel buildings, including metal barns in large demand by the farmers of Ontario. The Montreal plant is stated to have developed a big business in metal supplies for the mining camps, and the activity in the building trades has kept the Toronto plant busily employed.

372 Bay Street Is 40% Rented

The Richmond-Bay Building, one of Toronto's new downtown office buildings, is rapidly being rushed to completion and occupation will be given first tenants very shortly. Although the major part of the building will not be ready for some little time, more than 40 per cent. of the whole building has already been rented.

INVEST IN CANADA'S FUTURE

Government

		Maturity	Price	Approx. Yield
Dominion of Canada	5½%	1934	Market	5.05%
Grand Trunk Pacific Railway	4%	1955	85.25	5.00%
Montreal R. C. Schools	5%	1945	101.50	4.87%
Three Rivers R. C. Schools	5%	1954	101.50	4.90%

Public Utility

		Maturity	Price	Approx. Yield
Canadian Pacific Railway	5%	1934	100.00	5.00%
Canada Northern Power Corporation	5%	1953	98.50	5.10%
Manitoba Power Company, Limited	5½%	1951	103.00	5.15%
Montreal Tramways Company	5%	1955	100.00	5.00%
Montreal Island Power Company (cum. warrants)	5½%	1957	101.50	5.45%
Southern Canada Power Company	5%	1955	102.00	4.85%
Winnipeg Electric Company	6%	1954	105.00	5.70%

Industrial

		Maturity	Price	Approx. Yield
Alexander Building Corporation	6%	1947	100.00	6.00%
Cdn. Power & Paper Investments (Carrying a bonus of 10 shares Common stock with each $1000 debenture)	5%	1958	100.00	5.00%
Queen's Hotel, Limited	6%	1947	101.50	5.90%
Reliance Grain Company, Limited	6%	1948	102.00	5.85%

Preferred Stocks

			Price	Yield
Foreign Power Securities Corpn.	6%	Preferred	97.00	6.20%
McColl-Frontenac Oil Company	6%	"	92.00	6.52%
Power Corpn. of Canada, Ltd.	6%	"	102.50	5.85%
Windsor Hotel, Limited	6½%	"	95.00	6.85%

Common Stocks

British Columbia Power Corporation "A" and "B" stock (No Par Value) at the market

We invite your enquiries for investment service

NESBITT, THOMSON & COMPANY
LIMITED
215 St. James St., MONTREAL
Toronto Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Victoria Vancouver

705

Canadian Hydro-Electric Corporation, Limited

6% Cumulative First Preferred Stock

Dividends payable by cheque at par at any branch of the Bank of Montreal in Canada, March, June, September and December 1st.

PRICE: 97 and accrued dividend, to yield 6.20%

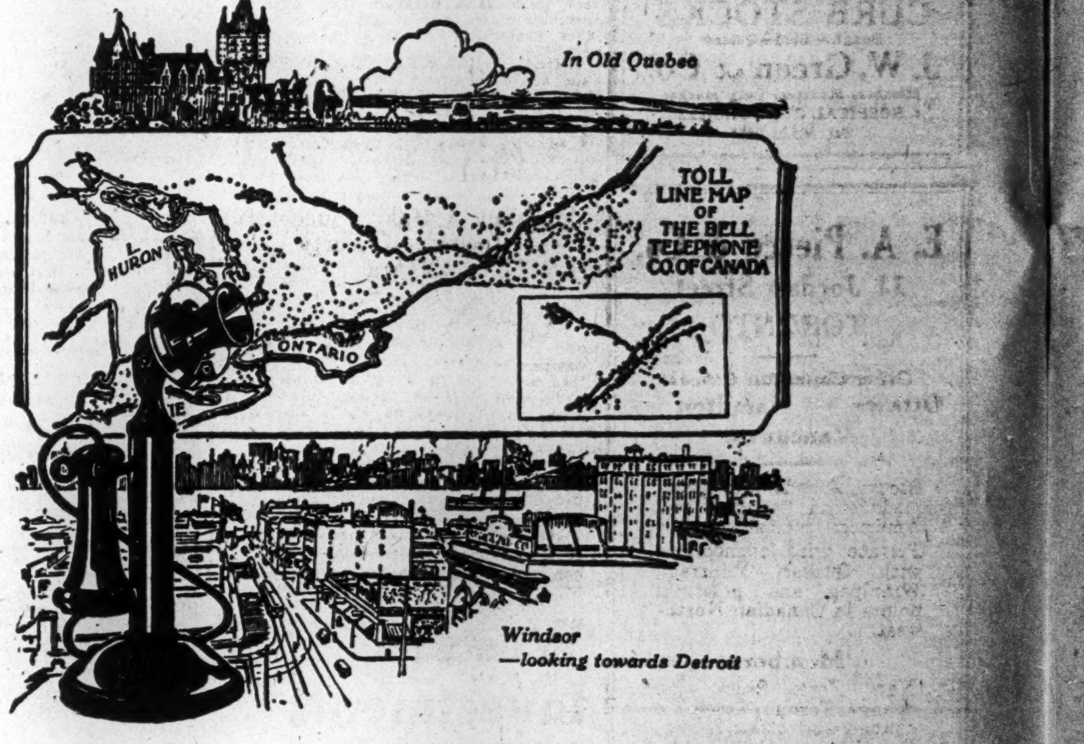
This is one of Canada's most interesting Hydro-Electric developments. It has under construction a combined development programme of 328,500 h.p., with an ultimate capacity of 535,500 h.p.

Through one of its entirely-owned subsidiaries, the Gatineau Power Co., this Company has a contract with the Hydro-Electric Power Commission of Ontario for 260,000 h.p. for thirty years, delivery at Toronto to commence October 1, 1928.

In addition to that of the Ontario Hydro-Electric Power Commission, the Company has excellent contracts with Canadian International Paper Company, Canada Cement Company, Fraser Companies, Limited, International Paper Company of New Brunswick, and its retail distribution company will serve 15,276 customers in an area of 5,000 square miles.

We consider this a very sound investment.

BELL, GOUINLOCK & CO.
67 YONGE ST. ELGIN 2236
TORONTO



Somewhere in Ontario or Quebec

TODAY, possibly in the early morning or in the late afternoon, somewhere in Ontario or Quebec, one of our installers is putting in the 700 thousandth Bell telephone. It may be in a humble home, a mansion, an office in a skyscraper, or a warehouse.

But the significant thing is that Bell telephones in the two provinces have reached the 700 thousand mark. Add to these 700,000 the 135,000 telephones of the other Canadian systems whose lines connect with ours, affording complete intercommunication, and you have a total telephone development of very impressive proportions. There are few communities anywhere in the world where the service is more widely used.

Note the present telephone development in some of our leading cities—

	Population of Exchange Area	Telephones Sept. 1/28	Phones Per 100 Inhabitants
Montreal	912,000	167,744	18.39
Toronto	668,000	179,778	26.91
Ottawa and Hull	179,000	35,535	19.85
Hamilton	136,000	27,704	20.37
Quebec	139,400	21,709	15.57
Windsor	116,500	19,106	16.40
London	69,000	17,533	25.41
Kitchener-Waterloo	39,500	8,048	20.37
Brantford	37,600	6,787	18.05
St. Catharines-Thorold	31,000	6,108	19.70
Niagara Falls	27,700	5,686	20.53
Peterboro	28,200	5,434	19.27
Oshawa	28,200	5,271	18.69
Guelph	23,800	5,070	21.30

W. J. CAIRNS
Manager

THE BELL TELEPHONE COMPANY OF CANADA

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News of Investment Markets

DOM. BAKERIES STOCK OFFERING IS DISTRIBUTED

Maple Leaf's Subsidiary Financing is Well Received

From Our Own Correspondent

MONTREAL.—Distribution of an issue of $575,000 Dominion Bakeries Limited, six and a half per cent. cumulative redeemable first preferred stock, is announced by the Royal Securities Corporation.

This company which is controlled throughout ownership by majority of its second preferred common stock by the Maple Leaf Milling Company, has acquired bread and cake baking plants in Eastern and Western Ontario formerly operated by MacKey's Bread Limited together with three additional independent plants.

Initially, the company's properties will include branches in Windsor, Sarnia, Chatham, Brantford, St. Catharines, Welland, Cobourg, Kingston and Wallaceburg, Ontario, and funds for present financing are being provided for purchase and construction for one or more additional plants.

The combined annual capacity of the plants will be approximately 13,500,000 loaves of one and a half pound weight and can be extended at low cost as required. All plants will be provided with adequate horse drawn and motor equipment for suburban and rural deliveries, the large part of which has been purchased within the past year.

Particulars of the issue follow:

$575,000
DOMINION BAKERIES, LIMITED
6½% Cumulative Redeemable First Preferred Stock
(On Completion of Present Financing)

Capital:	Authorized	Outstanding
6½% Cumulative Redeemable First Preferred Stock	$2,000,000	$575,000
6½% Convertible Redeemable Second Preferred Stock ..	250,000	210,000
Common shares (no par value)	100,000 shs.	25,000 shs.

Company: Controlled by Maple Leaf Milling Company. Incorporated this year to take over MacKey's Bread, Ltd., and three other plants.

Properties and Business: Plants located on freehold lands in Windsor, Sarnia, Chatham, Brantford, St. Catharines, Guelph, Cobourg, Kingston and Wallaceburg. Combined annual capacity will be approximately 13,500,000 loaves of 1½ pounds each, capable of extension as required at low cost.

Sales: Combined sales during 1927 amounted to 6,482,768 loaves. Sales for the current year are estimated at 9,000,000 loaves.

Assets: As at August 31, 1928, fixed assets amounted to $780,000, and net current assets $113,012, giving a combined total of $893,012.

Earnings: For the two years and six months ended June 30, 1928, and after giving effect to increased earnings anticipated from improvements, it is estimated that combined net earnings, after deduction of operating and maintenance expenses, local taxes, depreciation and income tax, for the fiscal year of operation, will be approximately $65,000.

Offer: Royal Securities Corporation at 100 and accrued dividend, carrying a bonus of one-half share of no par value common.

EAU CLAIRE SAW MILLS SELL STOCK

Company Has Successful Record of Forty Years

From Our Own Correspondent

MONTREAL.—Public financing of one of the oldest operating lumber companies in Alberta was undertaken this week by G. F. Tull and Ardern, Ltd., who offered $110,000 of 7 per cent. cumulative redeemable first preferred and first preference shares of the Eau Claire Saw Mills, Ltd.

This is a new company, incorporated to succeed the Eau Claire and Bow River Lumber Company—an American corporation with head office at Eau Claire, Wisconsin—which has for over 40 years successfully conducted a lumber and saw mill business at Calgary and on the Bow River and its tributaries. The business has been taken over as a going concern and this company will receive the entire profits on the sale of all manufactured and partly manufactured products on hand.

The greater part of the company's products are sold direct to consumers in Calgary. This gives the company a decided advantage over competitors, as all competing lumber has to be shipped into Calgary from northern Alberta, the Crows Nest Pass, or from British Columbia, with a long freight haul in each case. Further particulars of the issue follow:

$110,000
EAU CLAIRE SAW MILLS, LTD.
7% Cumulative Redeemable First Preferred Shares
(Upon Completion of Present Financing)

Capital:	Authorized	To be Issued
7% cum. first preference shares (this issue)	$150,000	$110,000
Common shares, n.p.v.	5,000	5,000

Business: Dominion incorporation to succeed Eau Claire and Bow River Lumber Company, an American corporation which has been successfully in business in Calgary for over 40 years.

Market: The greater part of the company's products are sold in Calgary.

Properties: Company owns a saw mill, planing mill and operates a lumber yard in Calgary; also timber limits situate on the tributaries of the Bow River in the foothills and mountains west of Calgary. Company has special rights on the river.

Purpose of Issue: Proceeds will be used to complete purchase of property and to provide additional working capital.

Assets: Appraisal shows net assets of over $263 for each $100 of preferred stock issued.

Earnings: During past 25 years predecessor company paid over $600,000 in cash dividends, an average of $24,000 per annum during the entire period. In addition liquid assets have been increased by substantial amount. Earnings from lumber operations for the past fiscal year amounted to $36,525. Earnings for the first four months this fiscal year amounted to $21,007.

Sinking Fund: An annual sinking fund of $1 for each thousand feet of lumber manufactured, but not less than $7,000 in each year.

Management: There will be no change.

Offer: G. F. Tull and Ardern, Ltd., of Calgary, at 100 and accrued dividend, with a bonus of 5 shares of common stock with each 10 shares of preferred. Fractional common shares will be adjusted at $30 a share.

Timely Investments
Williams, Partridge & Rapley, Limited
360 ST. JAMES ST. W. MONTREAL

Bond Notices

The Rolland Paper Company will redeem on January 2 next all of its first mortgage six per cent. sinking fund bonds, dated July 2, 1912, at 105, payments to be made at the office of the Royal Trust Company, Montreal, or the office of the Bank of Montreal in Montreal or Toronto.

All of the 6 per cent. first mortgage sinking fund bonds, series "A," made at May 1, 1926, of the Fort William Paper Company will be redeemed on November 1 next at 104½. Payment will be made at the offices of the Montreal Trust Company, Montreal, or at either of the principal offices of the Royal Bank of Canada, Montreal and Toronto, or at the First National Bank of Chicago, Chicago, or at the office of the Farmers Loan and Trust Company, New York city.

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
St. Law. Paper Mills 10-yr. debs.	6½%	1929	Jan. 2	102
Que. R. L. H. & P.	5%	1939	Dec. 1	105
N. S. Trams "A"	7%	1952	Oct. 1	110
Canada Vinegars	6½%	1945	Dec. 1	105
Drummond Invest.	6½%	1938	Nov. 1	105
Mercury Mills	6½%	1942	Nov. 15	105
Murray Bay Paper	6½%	1947	Oct. 1	105
N. Bawlf Grain Co.	6%	....	Dec. 1	100½
Howard Smith	6%	1934	Dec. 1	105
Man. Paper	6½%	1946	Oct. 1	105
Brompton P. & P.	6%	1935	Nov. 1	105
Abitibi El. Dev.	6%	....	Oct. 1	105
Rolland Paper	6%	....	Jan. 2	105
Consumers Glass	6%	1935	Nov. 1	100
Jenkins Bros.	6½%	1943	Oct. 1	105
Spanish River	6%	1931	Oct. 1	110
Abitibi Tr. & Nav.	7½%	1942	Oct. 1	100
Ontario Pulp & P.	6%	1931	Oct. 1	110
Lake Superior Paper	6%	1941	Mar. 1	105
Ft. William Pap. Co.	6%	1946	Nov. 1	104½
Page Hersey Tubes	6%	1926	Dec. 1	105
Consumers' Gas	6%	1920	Nov. 1	100
Kam. Power Co.	3½%	1940	Nov. 1	104

ONTARIO GOV'T. GETS $10,000,000 AT 5 PER CENT.

Gets Money in London for First Time in 23 Years

The Province of Ontario has sold £2,000,000 of one-year treasury notes in London at a discount of 4.75 per cent. Expenses (stamps, printing, etc.) brings the cost of the loan to 5.118 per cent. The loan was negotiated by the Hon. J. D. Monteith, provincial treasurer, acting through the Bank of Montreal in London.

It is the first time since 1905 that Ontario has borrowed in London and Ontario is the first Canadian province to find short-term money across the Atlantic since before the war. Comparatively high interest rates on short-term money in Canada and in New York caused the Ontario treasurer to seek the accommodation elsewhere. There were no Canadian institutions ready to lend $10,000,000 at this time at such a low rate and New York rates also were higher.

Proceeds of the issue will be used to meet maturing treasury bills and to retire bank loans obtained to meet expenditures on capital account.

Good Deer Hunting

The deer hunting season, which started in the middle of the month, began well and reports from guides and wardens indicate that deer are plentiful in New Brunswick this year. Quite a number of arrivals are reported already.

Tenders and By-laws

Oct. 11.—County of Essex.—$160,000, 5%. 10-instalment.

Oct. 1.—Gaspé Village, P.Q.—$6,000, 5%. 20-year bonds. F. Veit, sec.-treas.

Oct. 1.—County of Ontario—$20,000, 5½%. 5-year debentures. Miss E. A. McKay, county treas., Whitby.

Oct. 1.—Town of Victoriaville, P.Q.— $75,000, 5% serial bonds. W. Fortier, sec.-treas.

Oct. 1.—Township of Barford, P.Q.— $14,000, 5% serial bonds. E. Gerin, sec.-treas.

Oct. 1.—School Commission of Grand'Mere, P.Q.—$50,000, 5%, serial bonds. A. Desilets, sec.-treas.

Oct. 1.—Sandwich—$454,476, 5½%, 30-instalment bonds.

Saskatchewan

Authorizations Granted by the Local Government Board from Sept. 8 to Sept. 15, 1928.

Schools—Rozilee, No. 2437, $750; Pambrum, No. 4779, $8,500; Linden Valley, No. 102, $4,000; Krydor, No. 3571, $1,500; Daffodil, No. 4703, $2,500; Brownell, R. T. Co., $2,400; Red Deer Lake, R. T. Co., $400; Willow Bunch Harptree, R. T. Co., $4,900.

Debentures Reported Sold

Moose Mountain, No. 162, $3,500, 10-yrs., 5½%, Houston Willoughby & Co., Regina; Hazenmore, No. 3225, $10,000, 20-yrs., 5½%, Waterman Waterbury Co., Regina; Canora, No. 1152, $6,500 10-yrs., 5½%, Cross & Co., Regina; Dalmeny, No. 2094, $12,000 15-yrs., 5¾%, Waterman Waterbury Co., Regina.

HOLDING CONCERN ISSUE PREFERRED STOCK TO PUBLIC

Associated Breweries Occupy Strong Position in Western Field

From Our Own Correspondent

MONTREAL.—Associated Breweries of Canada are offering this week, through Hanson Bros. $1,500,000 7 per cent. cumulative preferred shares.

This company was incorporated a short time ago and controls through stock ownership, the following breweries in Western Canada: Lethbridge Breweries, New Edmonton, Breweries, Regina Brewing Company, Prince Albert Breweries.

Further particulars of the issue follow:

$1,500,000
ASSOCIATED BREWERS OF CANADA
7% Cumulative Preferred Shares

Capital:	Authorized	Issued
7% cum. pref. sh. (this issue)	$1,500,000	$1,500,000
Common (n.p.v.) ..	400,000 shs.	195,145 shs.

Company: Controls through stock, Lethbridge Breweries, Edmonton Breweries, Regina Brewing, and Prince Albert Breweries. All breweries are of substantial construction, and are equipped with modern machinery and have a total brewing capacity of 350,000 barrels a year.

Products: In addition to the manufacture of ale, beer and stout, ginger ale and other carbonated products are produced.

Assets: Depreciated fixed assets of the constituent companies amount to $2,193,561 which with net current assets of $618,211, gives a total of $3,254,076, exclusive of goodwill.

Earnings: Aggregate earnings for the two years ending March 31, 1927 and 1928, after deducting all operating and maintenance expenses, taxes, depreciation and after setting aside proportion of earnings applicable to minority stock outstanding, were $441,913 and $379,468, respectively. This works out at $29.46 and $25.30 on each share of preferred. After payment of preferred, there remained an average of $1.57 available for the common. It is estimated that 1929 will show a profit exceeding $2.25 on each share of common.

Offer: Hanson Bros. at $100 and accrued dividend, carrying a bonus of 4-10 share of common with each share of preferred.

UNITED GAS & FUEL OFFERS 5½% BONDS

Hamilton Company Has Large and Well-Equipped Plant

Public offering is being made this week of an issue of $1,880,000 first mortgage sinking fund bonds of the United Gas and Fuel Co. of Hamilton, Ltd. These are twenty-year maturities, bearing interest at 5½ per cent., and are being offered on a 5.53 basis.

The United Gas & Fuel Co. of Hamilton, Ltd., has with its predecessor company been engaged for the past sixty years in supplying the city of Hamilton with gas for both domestic and industrial purposes. It is well equipped for this purpose, owning one of the largest gas holders in the Dominion, of some 6,000,000 cubic foot capacity, and also owns 458 miles of gas mains. It operates under franchise from the city; and has favorable arrangements for a constant and adequate supply of gas from the Hamilton By-Product Coke Ovens, with which it is associated as the other member company of the United Fuel Investments Co., Ltd.

Particulars of the issue are as follows:

$1,880,000
United Gas & Fuel Company of Hamilton Limited
1st Mortgage 5½% S. F. 20-Year Bonds
Dated July 1, 1928 Due July 1, 1948

Capitalization—	Authorized	Issued
1st mtge. bonds, 5½% s. f. 20-yr.	$2,500,000	$1,880,000
Common stock	2,000,000	2,000,000

$100 par value.

Company—Distributes domestic and industrial gas in City of Hamilton, Ontario.

Purpose of Issue—To refund the company's outstanding bonds which were called for redemption July 1st last.

Security—Secured by a first fixed and specific mortgage on all fixed assets and a further floating charge on other assets of the company.

Assets—Net assets as of June 30th last are certified to amount to $3,703,901 after giving effect to present financing.

Sinking Fund—Trust deed provides for sinking fund of 1½ per cent. of maximum amount of bonds at any one time outstanding and certain other additions to this amount from time to time.

Earnings—Average annual earnings for past 3½ years amounted to $214,972.

Offer—By Dominion Securities Corporation Limited at 99½ and accrued interest to yield 5.53 per cent.

Investment House Will Review Field

The annual review of pulp and paper companies, published by the R. A. Daly Co., will appear in a week or two. The review will include, as in other years, a table analyzing the important features of each company in whose stock there is an investment interest.

GATINEAU POWER SELLS $7,500,000 NEW DEBENTURES

Offering Made of New Issue to Yield 5.88 Per Cent.

From Our Own Correspondent

MONTREAL.—For the purpose of reimbursing the company for expenditures in connection with the acquisition of the Bryson and Chaudiere plants and other corporate expenditures, the Gatineau Power Company is offering publicly $7,500,000, 6 per cent. debentures, series "B," through a syndicate headed by Harris, Forbes & Co., to yield over 5.88 per cent.

This flotation is an international one, being offered at the same time in the United States. Members of the Canadian syndicate are Drury & Co., Dominion Securities Corporation, Royal Securities Corporation, Hanson Bros., Inc., Greenshields & Co., Wood, Gundy & Co., A. E. Ames & Co., Nesbitt, Thomson & Co., The National City Co., R. A. Daly & Co., and Société du Placements du Canada.

Large Power Producer

Gatineau Power Company is now finishing, within cost and time estimates, the construction of three hydro-electric developments of an installed capacity of 419,500 h.p., all situated on the Gatineau River within thirty-five miles of Ottawa and within economic transmission distance of the largest markets for power in the Dominion. Initial deliveries of this power to the Hydro-Electric Power Commission of Ontario, the Company's largest customer, are scheduled to begin October 1, 1928.

Other powers held by the company and located on the Ottawa River and its tributaries, bring its total capacity, now operating or nearing completion, up to 544,330 h.p., of which 463,300 h.p. is already in operation. The power plants comprising its system are so designed that this capacity, 544,300 h.p., may be increased to 697,000 h.p., whenever conditions in the power market justify. The total potential capacity is in excess of 1,100,000 h.p.

Many Contracts Signed

Contracts for the sale of all the primary power to be presently generated at the plants have already been executed with the Hydro-Electric Power Commission of Ontario, City of Ottawa, Canadian International Paper Company, Canada Cement Company, E. B. Eddy Company, Ottawa Electric Company, and Gatineau Electric Light Company.

With the Hydro-Electric Power Commission of Ontario, one contract for a term of thirty years has been executed under the terms of which the Commission will purchase 80,000 h.p. of electrical energy during the twelve months beginning October 1, 1928, the amount increasing annually thereafter to a maximum of 260,000 h.p., during the twelve months beginning October 1, 1931, which rate is continued throughout the life of the contract. Another contract, covering a period of forty years, with renewal privilege, entered into in 1927, reserves for the Commission an additional 100,000 h.p., of which a minimum of 60,000 h.p. is to be taken in annual increments of 6,000 h.p. for ten years beginning October 1, 1928.

Earnings Exceed $6,000,000

Net earnings available for interest and reserves under contracts now signed, it is estimated, will be in excess of $6,600,000 for the twelve months beginning October 1, 1931, or over 1.7 times the combined annual interest requirements on the $19,631,000 Debentures (including this issue) and the $52,292,500 First Mortgage Gold Bonds, to be presently outstanding. For twelve months beginning October 1, 1928, on which date deliveries of power to the Hydro-Electric Power Commission of Ontario are scheduled to commence, it is estimated that such net earnings will be in excess of 1.1 times these combined annual interest requirements.

OTTAWA REDEEMS OVER $50,000,000 BONDS IN OCTOBER

Will Mean Lowering Fixed Charges by $2,650,000 Per Annum

From Our Own Correspondent

MONTREAL.—Within two weeks, the Dominion Government will redeem $53,000,000 of its obligations. As announced in The Financial Post some weeks ago, the government will pay off these maturities largely in cash from surplus revenues and also from the proceeds of short term notes which were sold to a syndicate of Canadian bankers not long ago.

The loan to be paid off next month is part of a refunding operation put through in 1923. The total amount covered by refunding was $200,000,000, but the balance does not mature until 1943. Maturity bears interest at 5 per cent. so that the fixed charges which will lapse with it amount to $2,650,000 per annum.

The retirement of the October maturity in cash will not be the first time recently that this policy has been carried out by the Canadian Finance Minister.

Last year the operation was done on a somewhat larger scale, though all the maturities were not paid off in cash. In the fall of 1927 Dominion Loans came due to the amount of $100,505,650. In November, two of $29,068,400 and $8,000,000 respectively, were redeemed in cash. On the first of December there were maturities of $63,437,250. Of this amount, $18,437,250 was retired by cash and the balance was met by the issue of three-year 4 per cent. treasury notes to the banks at par for the amount of $45,000,000. Thus the amount retired in cash last year was $55,505,650.

Debt Being Lowered

The debt statement at the end of August, shows that the net debt of the Dominion was reduced in the first five months of the fiscal year by $67,275,832. Net debt on August 31 was $2,229,574,400, as compared with $2,296,850,232 at the end of the fiscal year in March. This reduction in the net debt was brought about by a variety of changes. The gross debt rose by $12,000,000, but the active assets increased by $79,000,000, showing a reduction of $67,000,000 in round figures.

The increase in the gross debt was due in the main to a larger issue of Dominion notes, while there were increases also in interest charges and in some Government Trust funds. On the other hand, there was a falling off in the funded debt of $13,500,000. The increase in the assets was made up of a rise in the miscellaneous and banking account of $59,000,000 and in the loans to banks, of $28,000,000. These increases were in turn, offset to some extent by a decline in the specie reserve.

Flood Barnes & Co. Ltd. Active Bond Prices

	Price	Rate	Years to Maturity	Next int. Date	Yield %
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7s, due '47	100	7	19	Jan. 15	7.00
Alberta Pacific Grain 1st S.F. 6's due '46	102	6	18	Dec. 1	5.82
Argentine Govt. 6's, Series "B" due '58	100	6	30	Dec. 1	6.00
Asbestos Corp., 1st Ref. S.F. 6's, due '41	102½	6	13	Jan. 1	5.78
Asbestos Corp. Gen. Mtge. S.F. 6's, due '56	98	6	28	Jan. 1	6.15
Bell Tel. of Can. 1st 5's, Series "B", due '57	103¾	5	29	Dec. 1	4.78
Brazil, United States, Ext. S.F. 6½'s, due '57	96½	6½	29	Oct. 1	6.78
Canada Cement, 1st Mtge. S.F. 5½'s, due '47	102½	5½	19	Nov. 1	5.28
Canada Power & Paper Coll., Trust 5½'s, due '58	93	5½	30	Jan. 1	6.00
Canada Paper, 1st S.F. 6's, due '45	103	6	17	Dec. 4	5.72
Can. Light & Pwr. 1st S. F. 5's, due '49	95½	5	21	Jan. 1	5.35
Can. S. S. Lines, 6's, 1 & gen., Series A, due '41 ..	108	6	13	Oct. 15	5.72
Can. S. S. Lines Consol. 5's, due '43	103½	5	15	Feb. 15	5.34
C. P. Rly. Coll. Trust. 5's, due '34	101	5	6	Oct. 15	4.80
C. P. Rly. Secured 4½% notes, due '44	98¾	4½	16	Dec. 15	4.61
Can. Goodrich Income 7's, due '43	62	7	15		
Chile Republic Ext. S.F. 6's, due '60	94½	6	32	Oct. 1	6.40
Colombia Repub. Ext. S.F. 6's, due '61	92	6	33	Oct. 1	6.60
Dom. Iron & Steel Consol. S.F. 5's, due '39 (£) ..	71	5	11	Mar. 1	...
Donnacona Paper Co. 1st S.F. 5½'s, due '48	98	5½	20	Feb. 1	5.68
Donnacona Paper Co. 6's Debentures, due '48	99	6	20	Feb. 1	6.07
Duke Price Power S.F. 6's, Series "A", due '66 ..	106	6	38	Nov. 1	5.61
Fraser Companies, 1st S F. 6's, due '50	103	6	22	Jan. 1	5.75
Fraser Companies 6½'s Debentures, due '42 ...... (Cum. Stock Rights)	105½	6½	14	Oct. 1	5.96
French Line Ext. S.F. 6½'s, due '51	101	6½	23	Feb. 15	6.41
French National Mail S.S. Ext. S.F. 6's, due '52 ..	100	6	24	Nov. 1	6.00
Gen. Steel Wares, Ltd., 1st mtge. S.F. 6's, due '52	102	6	24	Nov. 1	5.84
Gatineau Power, 1st. S. F. 5's, due '56	99¼	5	28	Dec. 1	5.05
Gatineau Power S.F. Debs. 6's, due '41	103	6	13	Dec. 15	5.68
Hydro-Elec. B'd & Sh. Corp. Coll. Trust S.F. 5's, due '47	97	5	19	Nov. 1	5.25
Manitoba Power 1st S.F. 5½'s, due '51	103½	5½	23	Jan. 1	5.22
Massey-Harris Co. 1st Mtge. 5's, due '47	98	5	19	Oct. 15	5.17
Mtl. Coke & Mfg. 1st S.F. 5½'s, Series A, due '47	102½	5½	19	Dec. 1	5.28
Mont. L. H. & P. Cons. 1st Ref. & Coll. Trust 5's. Series A, due '51	101¾	5	23	Oct. 1	4.87
Mtl. Tram. 1st Coll. Trust 5s, Series A, due '41 ..	100½	5	13	Jan. 1	4.95
Mtl. Tramways Gen. & Ref. 5's, Series "A", due '55	99½	5	27	Oct. 1	5.03
Nova Scotia Coal & Steel 1st S.F. 5's, due '59	76	5	21	Jan. 1	...
Northwestern Utilities, 1st S.F. 7's, due '38	104	7	10	Dec. 1	6.45
Port Alfred Pulp & Paper 1st S.F. 5½'s, due '57 .	99	5½	19	Nov. 1	5.58
Price Bros. 1st S.F. 6's, Series A, due '43	106¼	6	15	Feb. 1	5.40
Southern Can. Pwr. 1st 5's, Series A, due '55 ..	102½	5	27	Oct. 1	4.83
United Grain Growers, 1st. Mtge. 5's, due '48	97	5	20	Jan. 2	5.25
United Securities Coll. Trust S.F. 5½'s, Series A,	102¾	5½	24	Nov. 1	5.31
due '52	103½	6	23	Jan. 1	5.68
Wayagamack Pulp & Paper 1st S. F. 6's, due '51 ..					
Winnipeg Electric Ref. 6's, due '54	105	6	26	Oct. 1	5.70

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Saskatchewan Schools	Sept.	Various	...	....	$32,000	....	...
Joliette, Que.	Sept.	L. G. Beaubien & Co.	4½%	30-ser.	50,000	93.61	4.80

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
United Gas & Fuel	Sept.	Dom. Securities Corp.	5½%	1948	$1,880,000	99½	5.53
Stock Issues—							
De Forest Crosley Radio Co.	Sept.	R. A. Daly & Co.	Com.	No Par	33,000 shs.	$25	...
Citizens' Dairy	Sept.	Gray, Bashforth	7%	Pref.	$125,000	....	...
		(In units of one preferred and one	common	share, $110 per unit)			

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TORONTO, SEPTEMBER 28, 1928

DOLLAR WHEAT

SOME of the best thinkers among the business and agricultural leaders of the West have already come to the conclusion that Western Canada must face the prospect of some years of low-priced wheat. This year the North American continent alone has grown enough wheat to look after its own needs and the needs of every wheat importing country on the face of the globe. Other wheat growing countries report favorable conditions. Russia is still out of the picture but will come back in a big way as a wheat growing country as soon as the Soviet government allows freedom of trade and makes it clear that it will not commandeer the farmers' crops.

Low-priced wheat may change the complexion of Western Canada agriculture just as depression in certain sections of the West a few years ago changed the character of farming in those sections. The Western farmer can make money on wheat at a dollar a bushel. But he can make more money on cattle and butter fat at the present prices for those commodities; he can make money on wool and in poultry. The balance has temporarily shifted in agriculture and wheat is not just now the best profit maker for the West. Even in the heart of Saskatchewan's wheat growing lands there are farmers who are reaping rich rewards from the raising of dairy cattle.

The present position will not always continue and one may easily picture a return of wheat to its former position as the most profitable crop for the West. Out of present conditions will not arise any diminution in the wheat growing in Western Canada. What is almost certain to come through is a greater development in other forms of agriculture.

Present wheat prices may indeed make Western Canada more of a mixed farming country if all interests—business, finance, government, science, and agriculture itself cooperate to that end.

MINES MEAN WEALTH

WHILE the progress being made in the mining industry is hardly reflected in production figures and dividends as yet, Canadian business is enjoying the first fruits of this large development. This is in the heavy purchases of equipment and supplies. It is difficult to arrive at a total of the purchases for the year, but the figures must be large.

The two outstanding developments of the moment are the plans under way for the bringing of the Frood property of International Nickel at Sudbury and the Flin Flon property of Hudson Bay Mining and Smelting in Northern Manitoba, into production. International Nickel has recently launched a program of construction that when completed, the necessary equipment and machinery in place, and the mine opened up, will have involved the outlay of around $18,000,000. Hudson Bay Mining and Smelting is an entirely new venture and so must build from the ground up. The first need was 85 miles of railway from The Pas to the property. This is now being pushed rapidly toward its goal. Recently a start was made on the necessary power development. This will require $7,000,000. Then must come the erection of a concentrator and smelter, involving additional millions. When these are in place and working, it will be found that they have also created a new town of several thousand population. This means more business.

It has been estimated that the Flin Flon operation alone will mean the expenditure in all of $50,000,000. International Nickel's outlay will total around $18,000,000. These are only two examples of what is taking place in the mining industry and the amount of new business it is providing for Canada.

There are other important ones coming along. The Quebec field will see further heavy expenditures on Noranda. Abana, Amulet, Aldermac and others will erect plants. Kirkland Lake has numerous ventures coming along that will soon be in the market for new equipment. Hollinger wants to erect a smelter in Kamiskotia and will first require thirteen to fifteen miles of railway line. Mond Nickel is going to expand operations substantially. Sudbury Basin and Treadwell Yukon are likely to each build a smelter and concentrating plant. Manitoba has Mandy and Sherritt-Gordon rapidly coming to the point where they will need plants. The latter means another 35 miles of railway construction. The gold section of Manitoba needs many new mining plants and some new mills will soon be required.

British Columbia is extending mining operations in practically every section and there are many new mills being erected and others contemplated. A mill means money. In Northern Ontario it is generally estimated that a mill costs $1,000 per ton of capacity. This means that to construct a hundred-ton mill requires $100,000.

The Maritimes are enjoying much prosperity. The Nova Scotia gold mines are being revived while the progress in the gypsum mining industry has been spectacular. Construction of more plants to treat the ores at home and market the finished product or calcined ore would help.

All this development means, also, that payrolls are steadily increasing. It takes plenty of men to prepare mines and more to prepare plants to get ready to bring these mines into production. It takes men to build these railways to reach these mines. When the mines come into production there will be the continued purchase of supplies and later the distribution of dividends.

A VICTORY

HARD times promote efficiency, which is just another way of saying that necessity is the mother of invention.

The case in point: In Holland where working men are paid about tuppence per day, they began a year or two ago aggressively to invade the world-market for binder twine. Canada, with a great wheat area and with free trade in so far as what the farmer buys is concerned, was the centre of attack. Canadian manufacturers of binder twine, paying their men considerably more than the Dutch equivalent of tuppence, were in a bad way.

It was a fight but it looks as if the Canadian manufacturer, at least one of him, has won the day. He has won it by paying higher wages to fewer men, by employing the very latest in labor-saving machinery and by rigid economy of administration.

Brantford Cordage always has been efficiently managed. But it had to develop greater efficiency to meet a situation that less resourceful managers would have found hopeless.

During and immediately following the war there was a high rate of production at excessive cost. But deflation came and was drastic and sudden in Canada. Canadian manufacturers had to learn to produce better goods at lower prices, with no reduction in labor costs. It was a hard lesson. But one reason that Canada is relatively more prosperous at this time than most other countries is that the lesson has been well learned.

Even hard times have their compensations.

PROSPECTUSES

A DICTIONARY definition of the word "Prospectus" says that it is "the outline of a plan." Judging by some company prospectuses that have appeared in the last few years, the outline is extremely faint.

Laws require certain things to be in prospectuses. Presumably the laws are complied with. But the average investor seldom, if ever, sees the real prospectus. What he sees is a circular which purports to summarize the ponderous legal prospectus but that, too often, is only an advertisement which conceals, intentionally or not, some facts which the investor should know before he invests.

An English prospectus picked up at random from a London paper, and found to be typical of English prospectuses, told the price paid for a business, gave the articles of association in full, revealed the underwriting commission, and included a balance sheet and exact figures as to earnings.

Details often bore. There is something to be said for the American idea of a summary of a company prospectus. At the same time, it is wondered if some investment bankers, in their zeal to save the investor the trouble of studying a long prospectus, has not inadvertently been concealing some facts which the investor has the right to know. And when one reads that in effect, the earnings of a certain company, "according to a certificate Messrs. Blank, Blank & Co., chartered accountants, based on estimates of what would have been the earnings if certain economies had been in force and after eliminating charges which it is believed will be non-recurring," would have been such a sum, one wonders if virtuous summarization has remained pure and unsullied.

UNDERSTANDING

IT IS a matter of no small significance when a dirt farmer who came to Canada a little over twenty years ago and built a mud shack on the prairies, states, in a public address his opinion that big financial corporations have souls. So said Hon. S. J. Latta, a member of the Gardiner cabinet in Saskatchewan, the other day in a Regina address. One is accustomed to hearing a much different story from those who seek the votes of Western farmers. But Mr. Latta states that it is just as unfair to call all corporations greedy and crooked as it is to call all politicians dishonest. Both bits of popular fiction are in his opinion, wrong.

Loan companies, trust companies and banks are made up of thousands of shareholders and big insurance companies are made up of millions of policyholders, Mr. Latta argues. These shareholders are decent, honest people. The men who manage the companies are responsible, unselfish persons, probably members of service clubs in their own home towns, and out to do a bit of good work in the world. Even if organized for gain, such corporations serve a useful purpose and demonstrate their generosity and willingness to help.

In the past few years when Saskatchewan has gone through some difficulties due to partial crop failures the farmers of that province have learned that mortgage companies have souls. "Without the co-operation of the loaning institutions many a Western farmer would not be on his farm to-day," Mr. Latta frankly admitted.

How much better is this sort of argument than the all too common picture painted freely by gabbing agitators, of big corporations as octopuses. Mr. Latta, in a quiet way, has read a lesson to some interests in his own province and at the same time he has shown the way to certain Eastern folks who do not understand the Western farmer because they have not tried to understand and who, because they do not understand, condemn. Some people in the East think they can get what they want and make the farmer like it. But there is a better highway to national weal and it is the road of understanding along which Mr. Latta has set up some good sign posts.

THE REAL REASON

NOW that the Seven Sisters development dispute has been settled it may be well to recall that while private ownership has apparently won a victory over public ownership the factors that influenced both the Ottawa government and the the Bracken government in Manitoba in making their decision were not based upon any clear dispute between the two systems of public utility ownership and operation.

The award was made as it was made because it was only by combining the water powers on the Winnipeg River that the best possible utilization of those powers could be obtained. The Winnipeg Electric already controlled and was developing certain powers on the river. If the Winnipeg Electric had not been awarded the site the government would have been faced either with the necessity of making only an uneconomical use of the powers or of paying off the Winnipeg Electric. Neither of these schemes promised the economies of a complete development by the private company, under strict governmental control of rates and other terms.

The outside public does not seem to have realized that Bracken and Stewart did the only thing that could properly be done with the water power regardless of their views on the subject of private or public ownership.

NOT REVOLUTIONARY

THE combine harvester-thresher is a good example of the type of invention that is accepted by the general public as a "revolutionary" development but which people in contact with the real situation view with regard for its shortcomings as well as its points of strength. Admitting that the combine is certain to attain steadily increasing recognition and use in the West and will tend to reduce harvesting costs for many farmers and in many localities, it must not be forgotten that the combine cannot overnight displace older and less spectacular methods of grain reaping and threshing.

Experts realize that the combine works best only under ideal conditions and that where conditions are not suitable it will not work at all. Uneven ripening of grain, excessive rain during the harvesting season, and some other factors all act to bar the combine from successful and economical operation. Only the patient, scientific farmer who will farm for the combine and whose climatic and geographical conditions are suitable will benefit from the combine.

All of these facts are recognized by the manufacturers of the combine. It is not generally known that the implement companies have refused to sell combines in certain districts and to certain farmers and that they delayed as long as possible the introduction of the combine into Western Canada. They wanted the combine to come only when the West was ready for it and they now want only those farmers who can use it successfully to buy it.

The economies of combine harvesting are such that farmers who can use it to good advantage are certain to make the investment in this new and wonderful machine. But the implement companies are showing foresight when they try to place the combine only in proper hands and give up the immediate profit of numerous sales that they could make, but refuse to make, because they do not feel that the would-be buyer is ready for the machine.

EDITORIAL NOTES

WHEAT GROWERS play auction because their bridge is not in the contract grade.

* * *

CANADA'S experiences since 1918 would indicate that the first ten years of peace are the hardest.

* * *

MANY A GOOD crop suffers from weeds and there were some bad weeds among the good harvesters who came from England.

* * *

GOLFERS in the Winnipeg golf marathon covered 55 miles, which is about the distance the present writer covers in 36 holes of his ordinary hooking and slicing.

* * *

WINNIPEG newspapers that cost five cents on ordinary days rise to ten cents on Saturdays because of the comics. No doubt many residents of that city now understand how the conscientious objectors felt about the war.

* * *

WHEN doctors are as certain in their diagnoses as they expect their investment bankers to be in the investment recommendations they make, this will be an unsafe world for germs.

* * *

AT A RECENT banquet in a Canadian city the diners adjourned for ten minutes after the soup and for another ten minutes before the speeches started. Both adjournments actually lasted over an hour. The rumor that this happened in Toronto is false, as is also the rumor that the speeches were dry.

Imports Hurt Growers But Relief Not Sighted in Fruit—Tariff Fight

From Our Own Correspondent

OTTAWA.—Confronted with the problem of marketing a bumper crop in the face of the most severe and in some cases unfair competition from the United States, the fruit growers of Canada are making a desperate effort to persuade the federal government to enforce the natural products and anti-dumping clauses of the Customs Act and, in this way, to increase the tariff against imported fruits.

Ever since the special duties were removed last April, the fruit and vegetable growers have been campaigning for their restoration. However, in recent weeks when it became apparent that there would be an unusually large crop in the Dominion, their efforts have been redoubled. Indeed, something approximating a panic has assailed the growers. Fruit prices have been declining rapidly and undoubtedly hundreds of growers are confronted with ruin unless some method of maintaining prices can be discovered. The situation is now acute and unquestionably the fruit growing industry is confronted with a crisis. The question of whether or not special protection should be granted has become the most critical tariff problem before the country.

No Early Decision

This question, however, is not a new one, although it may be more acute, and in the ultimate decision which the Federal Government must make, many factors of a political, rather than of an economic nature, will be given great weight. However, before summarizing the position as it appears from the Ottawa viewpoint, it may be stated, confidently, that no immediate relief for the growers will be forthcoming. Indeed, while their position becomes more sombre from day to day, the cabinet will not even begin to deal with the problem until the return from Europe of Premier King, in the last week of October.

The growers have realized the need for higher duties for many years and shortly after the Tariff Advisory Board was created they made an application for higher, seasonal tariffs. The idea was that the growers should receive adequate protection while their fruit was on the market, but, once marketed, the duties should be reduced or removed entirely in order that the consuming public should not be compelled to pay fancy prices in winter and spring time. Seasonal tariffs had been tried out with signal success in Australia, and the Canadian growers sought to benefit by the experience in that Dominion. Of course, conditions in Canada are not exactly the same and this was quickly discovered when the application came before the tariff board for hearing.

Case Poorly Handled

At that time Rt. Hon. George Graham was the chairman and one may recall the puzzled way in which he asked for an explanation of the fact that whereas MacIntosh red apples were discovered or evolved within 30 miles of Ottawa, all the present day supplies were drawn from British Columbia. Opposition developed from the prairie provinces. Representatives of various organizations of consumers appeared before the board to point out that the prairie provinces produced no fruit and might be served more cheaply by imported than by Canadian grown fruit. Was the price of fresh fruit, so essential to health, to be increased by tariff? Their arguments became more effective when the revelations of the Royal Commission investigating an alleged fruit marketing combine in the prairie provinces got into the newspapers. It was shown that this combine permitted fresh fruit to rot in the cars rather than bring it to a market and create a surplus which would have lowered prices. In justice to the growers, however, it must be said that they suffered from the combine as much, if not more, than the consumers.

Then the case of the growers was not judiciously handled before the tariff board. It was well known that several cabinet ministers were very favorably impressed and a wave of confidence swept through the growers' representatives which led them into making rather foolish statements concerning the higher prices to come.

However, something might have come of the application then and there, had not a political crisis paralyzed the government and, through it, the Tariff Board. The Meighen Shadow government came in and ignored the Tariff Board. The members thereof were not dismissed, but it was understood that they should continue only until an election returned a Tory Government to office and then would resign. In the meantime, the Tariff board drew salaries and waited for the decision of the polls.

Mr. Stevens to Rescue

If the Shadow government had little confidence in the tariff board, it had plenty of confidence in its ability to protect the fruit growers. Hon. Harry Stevens, of Vancouver, was the minister of customs and he was well fitted to deal with the fruit industry. Within a few weeks of taking office, the Shadow government gave the fruit growers ample protection by applying anti-dumping duties and the natural products special duties. It is important to understand what was done.

The anti-dumping section of the customs act provides that where foreign goods are sold in Canada at prices lower than in the country of origin, a special duty of 15 per cent. or less may be imposed to bring the Canadian price up to the level of the other. The Natural Products section, however, empowers the government, arbitrarily, to fix the value of imported products, which are also natural products of Canada, for duty purposes at any figure that the government may decide upon. When the Conservative government, in July 1926, put on special duties, to aid the fruit and vegetable growers, they combined both the natural products and the anti-dumping sections. An arbitrary and very high valuation for duty purposes was placed on all imports and, also, a full 15 per cent. anti-dumping duty was applied on the arbitrary value.

Liberals See No Good

Whether this was a wise act, is now beside the point. The misfortune of the growers, however, was that the additional duty was applied in this way and, also, that it was applied by the Shadow government. The Liberal party has never wholly disabused its mind of the belief that everything the Shadow government accomplished was wrong.

When the election sent the Liberals back into office, the fruit growers managed to maintain these special duties. The Liberals, however, made them into seasonal duties and in this way gave the industry practically all the protection it had sought from the tariff advisory board. And of course being in possession of this protection, the application before the board was not pressed.

Prairie Protectionists

In the year which followed, one or two events occurred which injured the position of the growers. The special duties were enlarged to include all sorts of natural products. Vegetables, eggs, poultry and other products were given additional protection. Of course, the producers of these products experienced the benefit and quite naturally expressed their warm appreciation. It became apparent that all the farmers in Canada were not free traders. Indeed some of the applications for special duties in this regard came from most unexpected sources. The poultry pool of Alberta was active, for one, and the egg marketing association of Saskatchewan did not turn up its nose disdainfully. The Financial Post at that time, October 14, 1927, said: "Those who have all along predicted that with the spread of mixed farming in the West, Cobdenism would die out on the plains and protectionist sentiment take its place, are having their prophecies fulfilled sooner than they expected. For it came out the other day that following representations from egg producers of the three prairie provinces, and of the poultry producers from Alberta (none other, indeed, than the Alberta poultry pool), the government has invoked anti-dumping duties on poultry and eggs."

Once more there was some loose talk among the representatives of the fruit and vegetable growers in Ottawa. They were going to make Tory protectionists out of the prairie farmers. It may be asked, what had this to do with fruit? But these duties were all tied in with the fruit duties and were considered all of one piece. It was spoken of as one policy, one act and must stand or fall as such. Another unfortunate incident occurred when the copy of the British Columbia legislation creating a state compulsory fruit marketing pool reached Ottawa. That somewhat disillusioned Free Trader W. H. Moore, of the tariff board, made a few caustic remarks about combines which must have created tremors of fear in the bosoms of many stout free traders on the prairies.

Echoes of Cabinet Row

These devolpments combined to arouse the fighting instincts of the Liberal and Liberal-Progressive members of parliament from Manitoba and Saskatchewan. These men were elected before special duties on vegetables were thought of and were low tariff men to the hilt. Their big talking point against the Conservatives was tariff, and doubtless they thought that if the farmers should ever become even mildly interested in protection and went in for mixed farming, much of their advantage, from a political point of view, would be lost. This perhaps is a worldly view. It may well have been that they, as sincere low tariff men, were against the principle of protection, and were not prepared to modify their views even though it might be shown to be of some benefit to their constituents.

It may have been these members who came to Ottawa last session determined to get these special duties. There were long negotiations and many conferences, and Premier King played a prominent part in the proceedings. Finally, in April, the whole of the special duties was rescinded leaving the fruit and vegetable industries without special protection of any kind. There is litttle doubt but that the decision occasioned a cabinet row, but it was made, and that was an end to it. Moreover, it was asserted by the prairie members that they had a cast-iron undertaking from Mr. King that the special duties would not be revived and that the natural products section of the customs act would be stricken out in the next budget.

Friends Serve Poorly

It would appear that the fruit growers have been travelling in hard luck and yet, when all is said and done, they have been badly served by their friends. To begin with, Mr. Stevens gave them special protection, not wisely, but too well. He combined the natural products and the anti-dumping duties in a manner which has since been pronounced illegal and in so doing gave the Liberal government a splendid excuse for the repeal of these duties.

Early this year, before the government took action, the legality of these duties was submitted to law officers of the crown, and they decided that anti-dumping duties could not be imposed upon natural products unless they were being dumped in the Dominion, and then only up to 15 per cent. Yet the Shadow government had fixed a high arbitrary value for duty purposes under the natural products section, and had applied the full 15 per cent. anti-dumping duty on this valuation. The two may be applied separately, but not together.

Must Produce Proofs

In parliament, Premier King was positive that the government would not hesitate to apply anti-dumping duties if the fruit growers could prove that dumping was taking place. It is now up to growers to produce proofs and doubtless they can do so. In that event, it is just possible that they might receive anti-dumping duties after Mr. King returns. There would appear, however, to be little chance of the government invoking the natural products section of the customs act.

Most persons in touch with the situation at Ottawa are of the opinion that the growers would be best served if they did not hope for speedy action, but sought to press the application before the tariff board, with a view to securing legislation next session. This would provide a means of escape from the necessity of invoking special duties.

POST-scripts

ONE does not need to read the Sunday supplement or see a motion picture comic to get a good laugh. Wit in its various forms can be found in the most unexpected places. An examination of the budget debate of the Saskatchewan Legislature Assembly for the 1928 session, reveals a "gem." Here it is:

"Mr. Macpherson: Here was the joke of last year's estimates; '$175,000 for new court house' . . . and the Attorney-General got away with the whole of it for Prince Albert.

"Hon. Mr. Davis: No! Not the whole of it. Only $150,000."

THE politician, or public speaker, has no "corner" on exaggerated statements. Even in such a dry article as a financial prospectus, one comes across occasionally a "bon mot" which does much to relieve the monotony and seriousness of the investment banker. Recently a prospectus, put out under the name of an eminent investment banker, stated that "Mr. Blank will remain as an active officer of the company for some years to come." This notwithstanding Acts of God, the King's enemies, etc. To cap this confident claim, the prospectuses went on to say, "Mr. Dash's life will be insured as cheaply as possible for a period of at least three years."

WHEN the famous author of "Economics and Ethics" arrived in one of our leading western cities along with other members of the Empire Parliamentary party he was approached by a bright young thing from the local paper. Observing his shaggy blonde hair, his tweed suit and his minutely small hand-bag she knew he must be a prominent Englishman and therefore a member of the Empire party. She stepped up to him, pad in hand, and asked his name. "Marriott" he said. "First name?" asked the girl. "John," replied the Englishman, becoming amused. The girl wrote it down and started to write down the last name; then paused. "Do you spell it M-a-r-r-y-a-t-t?" she asked.

The poor little reporter was certainly off to a bad start with Sir John Marriott, but, then, when we read her interview with him in the evening paper we realized that from that moment the great English publicist had apparently taken the interview in hand himself and dictated to the girl what the public would want to read about him, and his views on Canada.

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A Monthly Income

THIS is the heading of our October investment circular wherein a list of securities is recommended to yield from 4⅛% to over 7%.

We suggest the selection of these securities in such a way as to provide a regular monthly income.

We shall be pleased to send a copy of this circular upon request.

R. A. DALY & CO.
LIMITED
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TORONTO

Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Last Quarter Business Prospects Entirely Satisfactory
Major Industrial Activities at or Near High Peak
New Building Permits Assure Continuous Activity
Contract Now for Future Iron and Steel Requirements
Trade with Other Countries Shows Healthy Increase

WITH nine months past of better than average business, the outlook for the last quarter of the year is exceedingly promising. Although certain phases of Canadian industry were not altogether favorable at the beginning of the year, conditions have rapidly righted themselves and in the last three months we have seen business indices reach a level which in other years would be considered as dangerously booming.

The present growth of business has none of the earmarks of being the result of abnormal conditions. The current high level of business activity has been reached by a process of gradual expansion which has for its foundation a soundness which precludes possible inflation.

Taken as a whole, it is doubtful if business in this country has ever been on a sounder basis. We have seen new records established in building, automobile production, security prices, mining, etc., yet with all that there is no feeling of over expansion. It is true that business is being conducted along conservative lines which has acted as a brake against over-optimism and its resulting evils.

No Reactionary Signs

It will be recalled that at about this time last year there were indications that certain lines of business activities would show a recession of a minor nature. Subsequent happenings ran true to expectations, but preparation had been made to cope with the situation so that the recession had only a minor effect on business generally.

Thus on entering the last quarter of 1928 business is wondering whether there will be a repetition of last year's falling off in activity. A survey of major activities indicates that such will not be the case; in fact, a further upward swing is to be expected. This assumption is based upon the prospects of the three principal lines of industrial activity, namely, iron and steel production, building and automobile output.

Iron and Steel Active

Production of pig iron last month amounted to 91,522 tons. This output is somewhat lower than in the preceding month, but in the more significant comparison with August of a year ago, when 63,234 tons were produced, it shows an increase of nearly 50 per cent. For the eight months ended August 31 cumulative production of pig iron totalled 654,957 tons, a gain of 26 per cent. over 517,944 tons reported for the corresponding period of last year.

At the same time production of steel ingots and direct steel castings also shows a very substantial increase this year. In August, 86,677 tons were produced, an increase of 5 per cent. over the 82,807 tons of July and 12 per cent. better than the 77,479 tons reported for August of a year ago.

Cumulative production for the first eight months of this year totalled 819,822 tons, an increase of 32 per cent. over the 620,039 tons reported for the corresponding period of last year which in turn showed a gain of 13 per cent. over the first eight months of 1926.

Building Volume Maintained

The excellent showing of the primary iron and steel industry is a direct reflection of the improvement in the building trade and automobile production. There was a decline in the value of building permits issued last month as compared with the exceptionally large totals reported in both July, 1928 and August, 1927, but the aggregate for the lapsed months of this year continued considerably higher than in any other year of the record. Altogether building permits to the value of $17,383,279 were issued by some 63 cities in August. This is the third largest total reported for that month in any of the past nine years.

Since the beginning of the current year the 63 cities have reported the issuance of building permits to the value of $144,886,463. This compares with $126,690,292 and $109,211,942 in the corresponding periods of 1927 and 1926. Furthermore the 1928 figure exceeds that of any other year on record.

More significant than the large value of building permits however is the manner in which new building is distributed in all provinces. This has been the means of providing a great deal of work for contractors, lumber dealers, cement and paint manufacturers, etc., and others allied with the building trade.

Motor Car Output

Although the figures of Canadian automobile production for August, 1928 are not yet available returns of the United States manufacturers would indicate that a very high output was attained. During the first eight months of last year, which was a period of extraordinary activity, 150,321 vehicles were produced in Canadian plants. For the first seven months of this year production amounted to 150,214, a difference of only 107. This is all the more remarkable when it is considered that production in the first quarter of 1928 was considerably less than in the corresponding period of 1927. Furthermore, when the August production figures are added, the cumulative total for the eight months period of 1928 will show substantial increase over the corresponding figures for 1927.

Buying in Advance

The improvement in the automobile and building industries is clearly shown by the amount of advance contracting for iron and steel. It is estimated that 80 per cent. of the last quarter buying is completed. Several 2,000 ton orders have been booked beside a number of fairly large tonnages for delivery before winter closes navigation. Steel mills are active and working at full capacity with a volume of business sufficient to keep them occupied until announcement of 1929 requirements. Sales are good and general business conditions are excellent, although no outstanding orders have been booked since that, comprising 13,000 tons, recently placed by the Canadian Pacific Railway.

Many Months Work

Structural steel manufacturers all report excellent business with demand firm and sustained. One 7,000 ton order was booked for Toronto recently and one for 8,000 tons for Montreal. One of the largest structural steel manufacturers of the Dominion reports that it has sufficient business on its books to keep its plant operating at capacity for the next two years.

Reflection of this highly satisfactory state of affairs is to be seen in the current reports of the Canadian National and Canadian Pacific Railways. So far this year both lines have shown a very heavy increase in gross and net earnings. Early harvesting operations also assure that a record volume of grain will be moved to the head of the lakes or to the Pacific coast before winter sets in. It is now being freely stated and confidently expected, that both lines will show for 1928 the largest profit recorded in many years.

Foreign Trade Expands

The upward trend in foreign trade continues, imports in August having advanced to $114,175,346 and exports to $112,493,026. This shows an increase in imports of $13,409,000 and exports of $18,277,000 as compared with the corresponding month a year ago. In the first five months period of the current fiscal year, continuous expansion of foreign commerce has occurred since 1921 until now the high water mark of 1920 has practically been reached, the aggregate that year having been $1,052,281,000 and this year $1,041,078,000. When it is considered that commodity values have declined some 60 per cent. in the past eight years one can appreciate the tremendous advancement that has been made in the volume of exports.

As was to be expected the trade figures for August show a larger advance in export values. This was primarily due to the increase in exports of agricultural products which advanced from $32,674,000 in August, 1927 to $47,648,000 last month. Of the five principal divisions of exports, forest products was the only one to show a lower volume this year as compared with last year.

Domestic Demands Greater

Analysis of the import figures truly show that domestic requirements are continually expanding; importations of iron and steel and allied products showing a sharp advance from $23,310,000 in August, 1927 to $33,488,000 in August, 1928. There was little or no change in the other items.

The "favorable" balance of trade is again against Canada. For the five months of the fiscal year 1928, there was an adverse balance of $1,682,000, as compared with an excess of imports over exports of $5,132,000 in the corresponding period of last year. It is more than likely that this adverse balance will be wiped out in September.

Mussolini Tariff Hits Wheat Export

From Our Own Correspondent

OTTAWA.—The export of Canadian wheat to Italy which in the fiscal year ended March 31 last almost reached a total of 10,000,000 bushels has been severely crippled by a sharp increase in the Italian tariff, made effective by the Mussolini government on September 13 last.

Heretofore the Italian tariff has been 7½ gold lire on imports of wheat (quintals) which works out at 40 cents per bushel; and 11½ gold lire on flour, or $2 per barrel. The new duties are 58 cents per bushel on wheat and $2.75 per barrel on flour. The reports received at the Trade and Commerce Department, Ottawa, indicate that the increase in duties has been an important factor in the recent downward movement of wheat prices.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest: This Year	Latest: Last Year	Cumulative for Year: This Year	Cumulative for Year: Last Year
Weekly				
Car Loadings (Sept. 15)	88,086	70,402	2,442,738	2,263,074
Stock Index (Sept. 20)	483.7	211.3	......	......
C.P.R. Gross Earnings (Sept. 21)	$ 5,116,000	$ 3,746,000	$ 141,099,000	$ 125,808,000
C.N.R. Gross Earnings (Sept. 21)	$ 6,057,295	$ 4,845,997	$ 187,799,600	$ 170,844,932
Production— Monthly				
Pig Iron, tons (Aug.)	91,522	63,234	654,957	517,944
Steel, tons (Aug.)	86,677	77,479	819,822	620,039
Newsprint, cwt. (Aug.)	200,656	180,011	1,546,843	1,340,284
Automobiles, (July)	25,226	10,987	150,214	137,795
Boots and Shoes, pr. (July)	1,429,108	1,344,232	10,652,935	10,191,993
Flour, bbls., (July)	1,458,111	1,019,000	10,332,605	9,124,839
Construction—				
Building Permits (Aug.)	$ 17,383,279	$ 29,478,378	$ 144,886,463	$ 126,690,292
Contracts, (August)	39,448,500	29,881,000	334,065,400	272,986,000
Labor—				
Employment Index (August)	119.9	109.2	......	......
Trade—				
Imports (Aug.)	$ 114,175,346	$ 99,348,340	$ 806,323,475	$ 723,814,703
Exports (Aug.)	$ 112,493,026	$ 94,216,194	$ 800,245,786	$ 733,643,652
Imports of Key Products—				
Rubber, lbs., (July)	6,030,000	4,710,000	37,034,000	37,694,000
Cotton, lbs., (July)	7,462,000	8,484,000	73,634,000	86,281,000
Sugar, cwt. (June)	869,718	954,451	4,421,195	....
Petroleum, gal. (June)	17,125,839	14,540,193	247,103,394	....
Coal, tons (Aug.)	2,009,525	......	8,643,640	......
Exports of Key Products—				
Newsprint, cwt. (July)	3,349,110	2,810,859	....	....
Automobiles, No. (June)	4,431	3,089	20,355	....
Wheat, bush. (Aug.)	25,057,171	12,197,098	170,313,006	123,947,768
Wheat flour, bbls. (Aug.)	924,646	513,702	6,594,334	5,580,572
Electric Power—Output—				
M. Kilowatt hours, (July)	1,243,179	1,104,260	8,936,376	7,784,580
Population—				
Emigration (July)	5,234	7,180	......	......
Immigration (June)	20,303	18,052	93,596	77,467
Finance—				
Failures, No. (June)	130	138	960	990
Failures, Liabilities (June)	$ 2,194,595	$ 2,437,981	$ 14,085,085	$ 14,358,932
Bank Debits, (June)	$3,482,000,000	$2,687,000,000	$24,607,932,010	$18,705,185,730
Bond Sales (Aug.)	$ 6,128,800	$ 8,601,015	$ 324,424,810	$ 301,708,151
Insurance Sales (July)	$ 49,492,000	$ 39,962,000	$ 329,980,000	$ 286,838,000
Wholesale Prices (1913-100)—				
General Index (Aug.)	149.1	152.7	......	......
Iron	138.6	142.6	......	......
Cotton, raw	155.9	158.3	......	......
Grains	136.6	178.9	......	......
Cattle	159.8	117.1	......	......
Rubber	37.8	58.0	......	......

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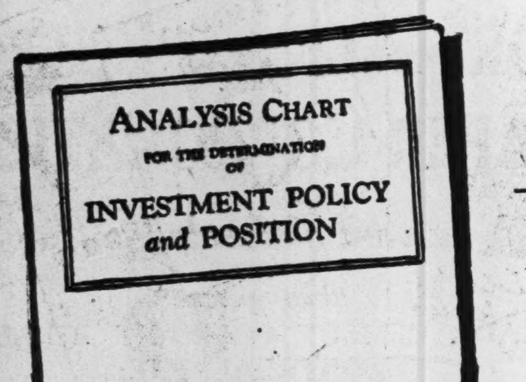

New, Improved Edition of this Useful Chart

As revised, this chart provides an enlarged form for entering bonds and other kinds of investments, classifying them as necessary for analysis. Shows the structure of the whole investment account, and the adaptability of individual items to one's purpose.

Are Your Bond Holdings Properly Balanced?

This chart will tell you

IF you are hesitant about submitting your bond holdings to others for analysis, you can make your own survey with this chart—to show how your investments are diversified as to type and locality—what the maturities are—how income is distributed over the year—how present market prices compare with the prices paid, etc.

There is ample and convenient space for all such information—based on the form we use for analyzing the bond holdings of banks, institutions and large individual investors. It also contains an outline for determining the investment policy most effective for your particular needs, thus lessening the possibility of accumulating bonds which do not fit your needs. It serves also as a ready reference sheet.

Newly revised, the chart provides double the former space for listing issues. There is also a separate recapitulation sheet allowing for semi-annual revision over a two-year period. This enables an accurate survey of the investment structure at all times. An added feature is the maturity tickler where issues maturing in the current year may be listed.

Altogether, it is a necessary step in appraising every security on your list and in deciding what to buy next. We shall be glad to send you this chart without obligation.

Ask for Analysis Chart FP 28

Competent Investment Service by Mail

For investors who live at too great a distance from our offices to be called upon by our representatives, we maintain a competent staff, trained to give as efficient and satisfactory service by mail as could be rendered through personal contact. Write to our nearest branch office if you are interested in knowing the full details of this service.

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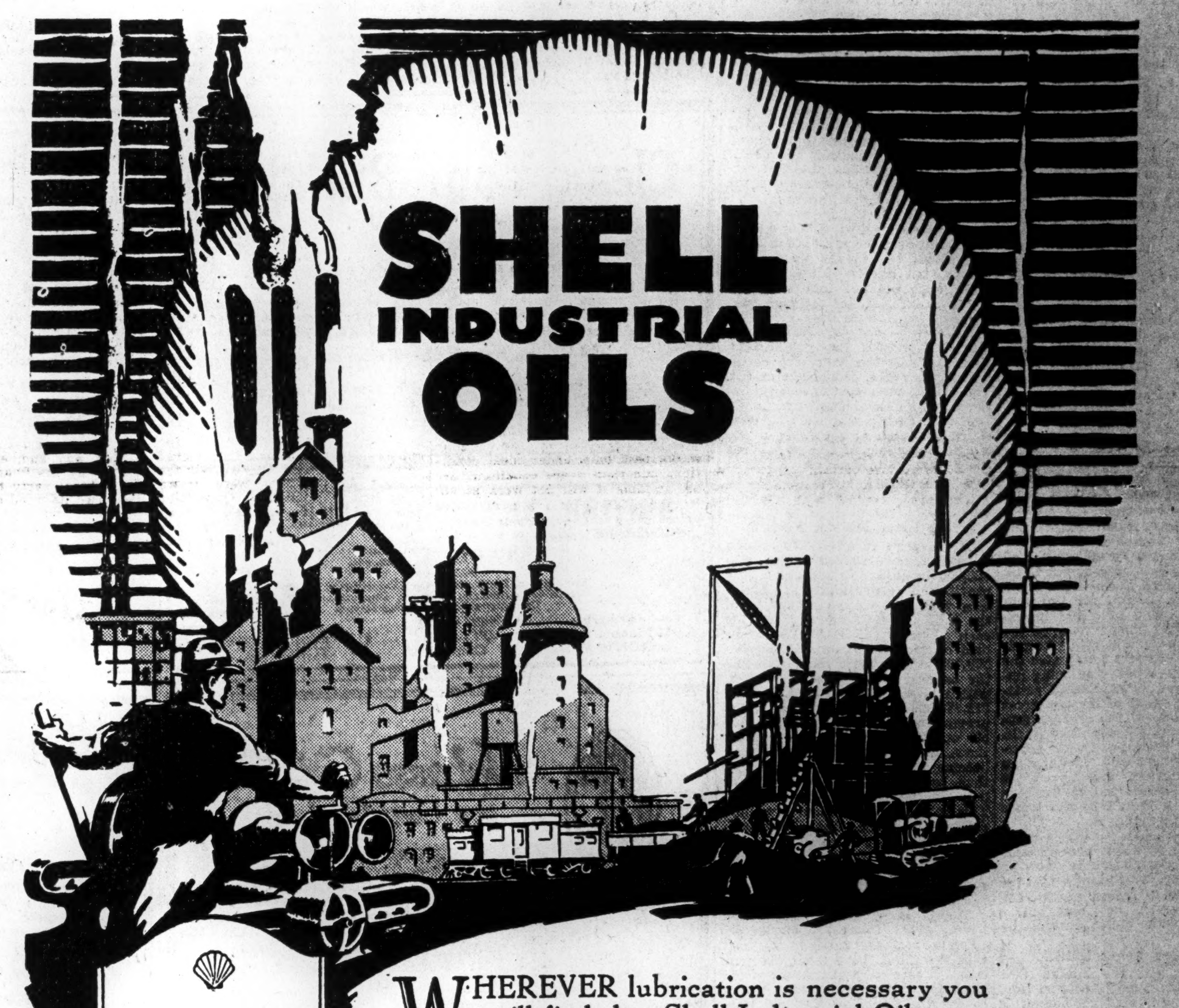

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RAILWAY SALE HELPS ALBERTA CARRY BURDEN

Lines Have Been Serious Drain on Public Purse

COST HAS BEEN HIGH

Price Retires Debt but Government Gets Nothing for Interest and Deficits in Operations

From Our Own Correspondent

EDMONTON.—The problem of the Alberta government with respect to its northern railways has been solved by the agreement reached last week between the Government and the Canadian Pacific Railway for the purchase by the latter of the lines of the Edmonton Dunvegan & British Columbia Railway, the Central Canada Railway and the Alberta & Great Waterways Railway for the sum of $25,000,000. The Peace River district sees its dream of a direct outlet to the Pacific Coast approaching realization, and it is definitely assured of new branch lines opening up further territory. The C.P.R. acquires control of the traffic originating in the Peace River district, which during recent years has been under the exclusive control of the Canadian National Railway.

The Northern Railways have formed one of the major problems of the Alberta Government for the past eight years. The railways in question were promoted by the late J. D. McArthur and his associates during the years 1912, 1913 and 1914, under guarantees given by the Provincial government, which guarantees were later supplemented by direct loans. They were colonization roads, opening up new territory for settlement, and in the hands of the original owners did not meet expenses, each year's operations resulting in deficits which had to be added to the capital cost. In 1920, railway companies in question were unable to pay their interest charges.

Gives C. N. R. Traffic

The Alberta & Great Waterways Railway, a more doubtful venture than the other lines, runs northerly from Edmonton to Waterways, on the Athabasca River, near Fort McMurray, a distance of 300 miles. Its operation was at once assumed by the Provincial government, and the line has been continuously operated by it ever since. The Edmonton, Dunvegan and B. C. Railway runs north and westerly to and through the Peace River country to Wembley, a distance of 417 miles, and is supplemented by two branch lines, the Central Canada Railway, 85 miles long, from McLennan through Peace River to Whitelaw, and the Pembina Valley, 26 miles long, from Busby to Arrowhead. The Stewart government, on assuming control of these lines when its guarantees became effective, entered into a five year lease of these lines to the Canadian Pacific Railway, which came to an end in 1925, the government meeting both the capital charges and the deficits on operation. In 1925 the government, then in the hands of Premier Brownlee, acquired more complete control of these lines, by paying off a claim of about $4,000,000 of the Royal Bank (the original loan having been made by the Union Bank), for the sum of $1,750,000, and receiving in exchange all the common stock of the railways, and certain other securities. The government terminated the lease with the C.P.R., and being unable to get an offer deemed satisfactory from either of the two great railway systems of the country, proceeded to operate these lines itself. It made an exclusive traffic interchange agreement with the Canadian National Railways, shutting off the C.P.R. from access to the northern lines, and the benefit of the traffic originating thereon.

Improving conditions in the north country brought about heavier traffic, and the lines began to show an operating profit instead of the steady deficits of former years. Such profits, however, provided but a small part of the annual interest on capital.

Has Been Heavy Burden

So heavy was the burden that when the Provincial Treasurer, Hon. R. G. Reid, presented his budget in March, 1927, he declared it was so onerous that it was interfering with the legitimate development of the province in other directions. The railway debt amounted to $33.13 per capita, with annual additions amounting to $2.36 per capita and an annual cost of $1.36 per capita. Shortly after, Premier Brownlee, appearing before the Railway Committee of the House of Commons at Ottawa to urge that the Alberta lines should be taken over by the Canadian National Railways stated that the total obligations amounted to $42,000,000, and that the deficit on annual operations absorbed $3,000,000 a year, or one-quarter of the total revenue of the province.

Mr. Brownlee failed to convince the Dominion authorities that responsibility for the railways in question should be assumed by the Dominion, but shortly after negotiations were entered into with the C.P.R. and C.N.R. for the joint purchase of the Alberta lines, excluding the A. & G. W. Railway. An offer was submitted, which the government, encouraged by the improving condition of the roads, declined to accept. The C.P.R. then continued negotiations on its own account, and finally President Beatty submitted an offer which has been accepted. It is one of the conditions of the agreement made that the Canadian National lines may acquire a half interest in the deal, up to the end of the current year.

Peace River District Pleased

Of the price of $25,000,000 which the C.P.R. have agreed to pay, $9,420,000 consists in relieving the province of responsibility in connection with outstanding securities of the E.D. and B.C. Railway. Of the cash payment, $5,000,000 is to be paid on the first of June, 1929, $5,000,000 in four years thereafter, and the balance in ten years thereafter, with interest at 4 per cent. Of the $15,580,000 to be paid in cash, the province will need $7,400,000 to pay off outstanding debentures against the A. and G. W. Railway when they become due. Some $8,180,000 will thus be available for reduction of debt on account of the railways. This falls short by about a million dollars of meeting the direct capital outlays made in connection with the roads up to the time of acquisition, and provides nothing at all against the interest charges and operating losses.

There is general satisfaction among those interested in the development of the north in the fact that the C.P.R. have made the purchase. Fears were expressed, at the time the government were trying to get the Canadian National lines to take over the northern railways, that Parliament would be reluctant to allow the National lines to build a connecting link with the Pacific coast, because of the extent of that system in British Columbia. The Canadian Pacific Railway, they believe, will see a profitable opening for such a line, and before long will be willing to construct it.

New Regina Fulfils Dreams of Its Earliest Builders Who Live to See Results

By FLOYD S. CHALMERS

REGINA. — The changing character of cities is always a study of tremendous interest to the casual or the fact-finding observer. Regina is not the Regina of before the war or the Regina of seven years ago. Regina before the war was a boom city but there is not an active subdivision development going on anywhere around the city now despite the present rapid rate of increase in population. Regina after the war was a city of distribution, wondering how the changes in marketing methods were going to affect it. Regina now is still the centre of a very rich grain growing country and it is still a marketing centre but it is also becoming a manufacturing city and a convention centre.

Refineries and Auto Plant

Imperial Oil has just completed a $1,500,000 refinery in Regina and British American Oil is building another. General Motors is rushing up a million dollar assembly plant that will produce cars for the west and assemble Chev's and Pontiacs for the Orient. There are many smaller new manufacturing plants in the city.

When General Motors sent their man west to choose a factory site he registered at hotels in Regina and Moose Jaw under an assumed name and got the city councils all worked up over propositions for a stove factory. When Regina finally won the plant and General Motors made their plans known the actor in the drama revealed his real name. It is Aughe and he is the manager in charge of the new factory here.

There have been nearly fifty big conventions in Regina this year. The new C.P.R. hotel made that possible and Regina citizens have been astounded by what a succession of big nation-wide conventions means to them. They do not hope to maintain that pace. But the big new hotel, a beautiful monument to C.P.R. effort in building Regina, has been a big factor in changing the complexion of the city's life as well as in putting a new peak on the sky line.

When Millionaires Foregather

The new hotel has made Regina. The rotunda of the Saskatchewan hotel is a meeting place for Canadians visiting the West. The other day, by a remarkable coincidence, the hotel was the converging point for the convention of mortgage trust and insurance men, the convention of the life insurance superintendents and the company executives sitting in with them, the Canadian Chamber of Commerce presidential party and the C.P.R. director's party. So at one moment in the lobby of the hotel, it was possible to see scores of Canada's biggest business men including such figures as E. W. Beatty, Ross McMaster, Sir Herbert Holt, Beaudry Lemon, Sir Charles Gordon, F. W. Molson, Leighton McCarthy, C. M. Bowman, W. M. Birks and a dozen others of almost similar importance. Some one remarked that at that moment the ownership of half of Canada was represented in the hotel's lobby.

The new Regina does not prove a revelation to the old timers here. They are just glad that they have lived to see their own dreams come true and to know that it all happened so quickly that they will live to see much more. I dropped in on W. H. Duncan and Charles Willoughby, two of Regina's old timers, now among her biggest business men and associated with the Saskatchewan Life and the Saskatchewan General Trust. Both of these men came to Regina before the railroad, when there were only tents here. Regina to-day is just the sort of city they promised themselves it was going to be.

George H. Barr, K.C., a vice-president of the Canadian Chamber of Commerce, drove me around town with W. M. Birks, president of that body and Wendell Clarke, the secretary. Mr. Barr made his first money in Regina — $15 a month — selling whole blocks for $25 apiece. Regina had 1,700 population then. Now it has over 50,000.

Looks For New Stores

Regina is now watching its big retail outlets wondering what they will do. A big Winnipeg wholesale house has bought the Regina Trading Company, a leading retail store. Simpson's and Eaton's are selling over the counter at their mail order houses and Regina people expect Eaton's to build. They also expect a new store from the Hudson's Bay Company.

The city is going ahead as a financial centre. It was always a big loaning and insurance centre.

A lot of trading in stocks, including mining stocks, is going on. A rather significant thing happened the other day. A Regina corporation borrowed some millions of dollars by a bond issue. The trust deed was drawn up by a Regina firm of lawyers. The trustee for the issue is a Regina trust company. The bonds were sold right here in Regina although the money came from the East. That is just another milestone in Regina's progress.

DIVIDEND POLICY GURD'S COMMON DRAWS INTEREST

Speculation As To What Company Will Pay On New Stock

From Our Own Correspondent

MONTREAL.—With earnings reported at the rate of $200,000 a year, net, Charles Gurd, Ltd., are expected to make some announcement shortly regarding dividend policy on the new split common stock.

Originally, when $2 was being paid on the old stock it was the intention to establish a $2 rate on the new split stock as well, equivalent to $4 on the old. Since that time a delay has occurred in the actual split-up of the stock and a $3 rate on the old (present) stock has been put into effect. Obviously the $3 rate will not be continued on the new stock, which would mean $6 on the old. Instead of the $2 rate formerly decided on as probable, only $1.50 will be paid on the split stock, equal to $3 on the old, as at present. Later on, it is intimated, this will be raised to $2, equal to $4 on the present (old) stock.

The increase in the present dividend works out in a rather unique way. As a result of the recent offering of new common stock and the retirement of the mortgage and 2,000 shares of preferred stock, an amount of $29,000 per annum is being saved. This is made up of $15,000 as interest on $300,000 of the 5 per cent. mortgage, and $14,000 for the 7 per cent. preferred dividend. The increase in the rate from $2 to $3 has added $30,000 (as against a saving of $29,000) as dividends.

The new plant at Saint John, N.B., is now operating and is expected to extend the company's business in the Maritimes considerably and eventually to enable it to develop export trade with Boston and other centres. It will handle the entire export business of Gurd's Ltd.

Traymore Limited Earnings Increase

Earnings of Traymore Limited for the month of September are stated to be considerably in excess of the same month a year ago. The new Traymore Savarin on Bay street, Toronto, is to be opened within a month; and this will further augment present year's profits, which are stated to be more than double present common dividends after paying preferred.

Coles & Tatham Open October 1st

J. L. Coles, formerly secretary-treasurer of E. J. Coles Co., Ltd., and C. O. Tatham, former editor and manager of Rod and Gun, have formed a partnership under the name of Coles and Tatham, and will carry on the business of bond and stock brokers in Woodstock, Ont. The Toronto end of their business will be handled through the Stock Exchange firm of R. M. Harcourt & Co.

L. ST. JOHN IS OPERATING OVER RATED CAPACITY

Satisfactory Results Are Achieved in Only Few Months' Operations

From Our Own Correspondent

MONTREAL. — It is understood that the Lake St. John Power and Paper Company is experiencing happy results from the operation of its plant which began producing only at the beginning of this year. Although the plant has a rated capacity of 220 tons daily, the machines have already turned out as much as 235 tons a day. The bringing of the output above the rated capacity is regarded as an achievement, for with most other mills it has taken more than a few months to bring the machines up to their rated capacity, let alone over their rated capacity.

When the Lake St. John Power and Paper plant was under construction a year ago, it was anticipated that the plant would operate on a low cost basis. These anticipations have been fulfilled and earnings, it is understood, are now running on a basis better than anticipated before the plant began producing.

Lake St. John is able to operate at more than its rated capacity as its entire output has been sold for a number of years to the Hearst publishing interests in the United States. William Randolph Hearst has contracted to purchase the output at a figure which, as far as can be learned, fluctuates with the ups and downs in the prevailing price of newsprint paper — but a maximum and minimum price has been included in the contract. So, while the Lake St. John Power and Paper may not ultimately benefit to the full as, if and when newsprint prices again strengthen, yet it does not stand the chance of being affected very severely through the over expansion of the industry.

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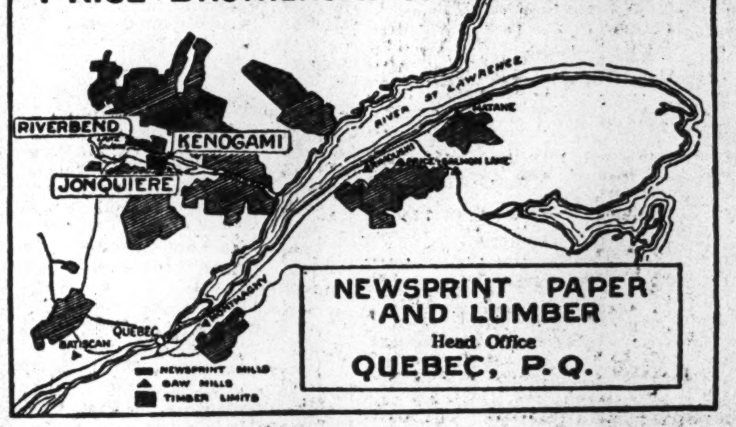

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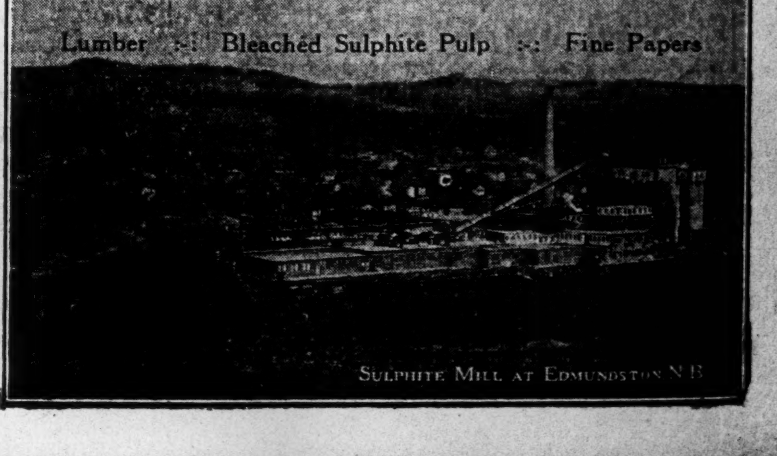

SULPHITE MILL AT EDMUNDSTON N.B.

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Imperial Oil

I would appreciate hearing your opinion of Imperial Oil. I am considering buying some of this stock.

Imperial Oil is one of the most attractive of the oil stocks. It is virtually in the investment class.

Nova Scotia Light

Do you consider Nova Scotia Light & Power a good long hold stock?

The Nova Scotia Light and Power common shares are a fair long hold stock for a business man. There are other power and public utility stocks which look more attractive to us.

Canada Permanent

I hold some mortgage certificates of the Canada Permanent and the Nova Scotia Trust Co. I am revising my investment programme, would you advise me to hold or sell these?

Your mortgage certificates of the Canada Permanent and Nova Scotia Trust are securities of a type which form an excellent basis for any investment program and should be retained.

Trust Company Shares

I am anxious to invest in the stock of some good trust company. What would you recommend?

If you want to purchase trust company shares, why not consider Toronto General Trust or the National Trust. Perhaps the shares of the Toronto General are the more attractive investment. It is a toss up between these two companies, though.

Pelissiers

I have been advised to buy Pelissiers Brewery stock. Is there any chance of this company being absorbed in a merger? When does their year end?

We understand that Pelissiers Brewery is earning at a good rate, and the stock at present prices is reasonably low. We have not heard of any merger possibility. The company's year ends, we understand, September 30th.

The brewery stocks, with the exception of National Breweries, have not been very satisfactory investments in the last several months. The fact appears to be that there are too many brewery stocks in the present condition of the market. Pelissiers is not the least attractive of the group, but we doubt if this group as a whole will make very rapid progress soon.

List is Satisfactory

I am holding a government annuity policy, British war savings certificates, and bonds of Medicine Hat, Brazil, General Steel Wares, Windsor Hotel, and preferred and common stocks of Canadian General Investment Trust, Jenkins Groceteria, International Power and B. C. Power. Are these satisfactory? Can you suggest, safety of principal being an important consideration? I have about $100 a month to invest.

Looking over your list of present holdings, we do not think there is any important change which you can make which would better your financial position. The list of securities you now hold should show a slight preponderance toward bonds. Where income is essential this is satisfactory but if you are willing to forego income for the prospect of appreciation in value of principle we would recommend that you purchase some sound common stocks such as Shawinigan, Montreal Light, Heat and Power, Steel Company of Canada, Quebec Power, etc.

Canadian Canners

On the strength of a very favorable report of the Canadian Canners, Limited, published in your paper some time ago, I bought 100 shares of the second preferred.

For some time past, I have not seen any reports as to the operations and present outlook of the company. Will you be good enough to inform me how the company's business this year compares with former years, and what chance is there for market appreciation of the securities I carry?

We have from time to time had articles about Canadian Canners, Limited, but possibly these have escaped your attention.

Our information is that the company probably will have a normal year and that it has entered the new packing season with inventories carried over from last year at the low figure. Some moderate appreciation in the value of the second preferred common stock may be reasonably expected within a year or two. The stock in the last six or eight months has been stationary presumably because of market conditions and because of the fact that it had risen very rapidly prior to the revision of the capital structure last December.

The company is soundly managed and continued growth may be expected.

Canadian Western Gas

I am holding some of the preferred stock of the Canadian Western Natural Gas, Heat and Light Corp. What information have you on this company?

The Canadian Western Natural Gas, Light, Heat and Power preferred shares are satisfactory. The company is doing very well and is now extending its service throughout the northern half of the province. We understand they have a big expansion program in view.

Independent Biscuit

I own some stock in the Independent Biscuit Company. Have you any information on this company, how they are meeting competition, etc.?

Independent Biscuit Company while it has no proven record of earnings should do well. We understand that the initial plant installation was too large but that the problem of adjusting production to consumption demands has been satisfactorily dealt with.

Sprung-Clendinin

Over a year ago I bought some shares in the Sprung-Clendinin Company, of Calgary. What progress is being made by this concern and do you consider the stock a safe investment?

The Sprung-Clendinin Company has only been in operation since 1926. Its leather products, however, have been favorably received by the trade and connections have been made with over 500 dealers in the western provinces. They are developing along sound lines and earnings are quite satisfactory.

Riverside Iron Works

What is your opinion of the bonds of the Riverside Iron Works? Are they satisfactory as an investment?

Riverside Iron Works bonds are worth holding. The business of the company for the first four months this year shows an increase of about 25 per cent. over that of the corresponding period of last year. The company is doing exceptionally well, there being a good demand for its products and services in connection with harvesting operations, oil drilling, etc.

Canada Biscuit

Please give me your opinion of my investments:

Bonds—	
Simpsons, Ltd.	$1,000
Montreal Trams.	1,000
Canada Biscuit	500
Preferred stock—	
5 shares Asbestos	85
8 shares Burns & Co.	100
Common stock—	
6 Bell Telephone	148
5 Montreal Power	50
10 Imperial Oil	44
50 Brit. Amer. Oil	33
12 Canadian Ind. Alc.	33
20 Canada Malting	36
10 International Pete.	32
10 Nor. Bakeries	28
10 Can. Brewing	35

Your Simpsons Limited and Montreal Tramways bonds are high grade. You need not worry about them. Our information is that Canada Biscuit Company has not been earning its bond interest and it is doubtful if the payments can be continued until earnings improve. There are ample assets behind these bonds. A change for a better class of security might be beneficial, although you probably would have to take some loss.

Your preferred stocks are probably satisfactory as an investment for a business man.

Your common stocks individually are good; collectively the list is excellent for an investor who is looking for appreciation rather than immediate yield.

Page-Hersey

I bought last spring a couple of hundred shares of Page-Hersey Tubes on a statement which was then current and seemed to be accepted on all sides to the effect that an unlimited offer of $125 per share had been made to the president of the company.

Could you tell me whether that statement is correct and also I should like your opinion, which as a constant reader of your paper I value highly, as to the propriety of officials of a company treating as their own property any such offer.

To my mind every shareholder has got an interest in an offer of this kind and the directors who after all are only "trustees" for the shareholders, are ethically if not legally in "branch of trust" by not communicating same.

It never was announced if a specific offer had been made for the controlling interest in Page-Hersey Tubes, Limited. We made efforts to learn exactly what negotiations were in progress a few months ago, but the details were not forthcoming.

In this case the directors of the company probably are directly representative of at least a majority of the common stock and the question as to the propriety of informing all shareholders of an offer made to the directors or to the controlling interest, is one which probably must be decided on the individual merits of each case. If the directors of the company were of the opinion that the offer was not sufficiently attractive and that the potential value of the stock would be greater within a reasonable length of time we do not think that they can be criticized for failing to communicate such offer to the shareholders, especially as the shareholders in general are not in a position to determine for themselves whether or not an offer should be accepted. The opinion appears to be that Page-Hersey Tubes, Limited, will make as much progress by itself as it would merged with another company.

We believe the directors quite properly have discretionary powers and their procedure may be dictated broadly by what is right for the company and for its shareholders. We do not think, looking back over the history of the Page-Hersey stock, that the shareholders have any reason to complain. There has been substantial market appreciation in the preferred and common stocks and, while there is not much information forthcoming between annual reports, it is generally known that the company is making good progress. In the circumstances the shareholders have little to worry about.

W. R. Brock (Western)

A short time ago, I invested in the stock of the W. R. Brock (Western) Company. Do you consider this a good stock to hold?

W. R. Brock (Western) while a small company, is, nevertheless, doing exceptionally well. We are given to understand that earnings for the current year will run about $14 a share on the common. Thus the dividend on the preferred will be earned several times over. The dividend on the common will likely be increased.

Power Stocks

Would you recommend the purchase of Montreal Power, Shawinigan, and Quebec Power? What is your opinion of the common stock of Power Corporation?

Montreal Power, Shawinigan, and Quebec Power are three investment stocks which you can safely purchase and hold for two or three years. They all three give indications of appreciating.

Power Corporation common is not yet in the investment stock class, but it is an excellent purchase for a business man. Over a term of years it, too, gives every indication of appreciating.

Second General Trust

I am thinking of investing some funds in the Second Canadian General Investment Trust. Do you consider this stock satisfactory as an investment? I want to be assured of the safety of principal, as well as a fair income.

The second Canadian General Investment Trust is a good investment. The first Canadian General Investment Trust sponsored by the same interest has done exceedingly well and came through the recent market break without any serious impairment of its capital position. The board of directors is sound and should give to the trust a very able management.

Hydro-Electric Securities

Do you consider Hydro-Electric Securities an investment or a speculation at the market to-day? What is the highest the stock sold this year?

Hydro-Electric Securities at its present price is not an investment, it is a speculation. The shares pay no dividends. We understand that the holdings of this investment trust are of a satisfactory character.

However, in view of the whole situation surrounding the company and in view of the Lowenstein débâcle, you could only regard such an investment as a speculation—nevertheless, it is a speculation which we believe has some attractions. The high of the stock this year was 85.

Celtic Knitting

Will you kindly tell me if you would consider the shares of the Celtic Knitting, of Montreal, a good investment?

The Celtic Knitting Company is a small manufacturing concern in Montreal recently financed by a local investment company. The company started in a small way to manufacture knit goods, principally stockings, and the demand for such made it necessary for the management to seek outside capital in order to take care of the increased business.

As yet the company has no record of earnings behind it and we do not consider the stock as a good investment. It has attractions as a business man's hold and will probably be considered in that light for some time to come.

Wants Increase

I have $4,000 in bonds, which will be called for redemption on October 1. When the bonds are called I will have the funds for re-investment and would like to place the full amount in a sound security with a return of 6½ per cent. or better. At the present time I have a fairly good backing of bonds and preferred stocks, but am working to increase my income, consistent with safety.

You will find trouble now in investing your funds in first class bonds that will yield you a return of 6½ per cent. The return of government bonds at the moment is below five per cent. and on good industrials from five to five and a half per cent. If you want a good degree of safety we would recommend the following bonds:

Alberta and Pacific Grain 6's yield about 5.82 per cent.; Canada Steamship Lines 6's yield about 5.72 per cent.; Price Powers "A" 6's yield about 5.60 per cent.; Montreal Tramways, 5½ yield about $5.28 per cent.; United Grain Growers 5 yield about 5.25 per cent.

The above limited list of corporate bonds will give you a yield of over 5½ per cent.

Borrowing on Insurance

I have an insurance policy, 20-pay life, $2,000, the last premium due in 1928. I can borrow on this up to about $900. At five per cent. or six per cent. if you are not sure which, I suggest buying ten or fifteen shares of one of the following, for a long hold: Shawinigan, Imperial Oil, Brazilian, com., or City Dairy, com. If I pay six per cent. on the loan and receive two per cent. dividend on the stock, would there be a good chance of "scalping" a fair profit with comparative safety?

I have $2,200 invested as follows: Five Shawinigan, six City Dairy, com.; 10 Building Pro., com.; 10 Gen. Steel Wares, 10 Can. Canners, 2nd pref.; 100 Whitewater, com.; 600 Cork Province.

Do you think it at all likely that the four stocks I suggest purchasing will sell lower in 1928?

Borrowing on an insurance policy for stock market purposes does not appear to be conservative financing but if you do not require the protection for your family, there seems no reason why you should not use your own money in this way.

We do not know if the four stocks you mention will sell at lower prices in the current year. It depends on the market, and the market fluctuations are affected by so many different causes in Canada, in Wall Street and elsewhere. Shawinigan, Imperial Oil, Brazilian and City Dairy are highly attractive common stocks for the long pull and from time to time there is a fairly rapid appreciation in one or other of the stocks.

International Utilities

What do you think of International Utilities "B" stock as a speculation? Can I look for an appreciation in this, in, say, a year's time?

International Utilities "B" stock is a gamble, not without attractions. But it should be regarded as a longer than a six or twelve months hold, though even as a gamble for a year it might show you a satisfactory appreciation.

Port Alfred

Would you advise the purchase of Port Alfred Pulp and Paper common for a few months hold?

In view of the situation existing throughout the newsprint industry, Port Alfred common is a speculative stock. It is impossible to say whether or not developments in the industry will better the position of the individual companies within the next few months.

Famous Players

I am considering buying some Famous Players common. What do you think of this stock at present prices?

Over a term of years Famous Players common should do well. The immediate outlook for the stock seems to depend very largely on how the public takes to "talking movies." If these take well there is no doubt that the stock would be an excellent purchase right now.

City Dairy

I hold some City Dairy and Brazilian, and am willing to sell, despite the entreaties of a friend of mine. What is your opinion?

You are wise in retaining your City Dairy and Brazilian for a long hold. They are both good stocks. We presume, of course, that you have other sound stocks so that in your holdings you have that prime element of investment, namely diversification.

Power Corporation

Do you think Power Corporation common is a good buy for a long hold? When do you expect a dividend will be paid on this stock?

Repeatedly, The Financial Post has said that the common shares of the Power Corporation appear to be an interesting long hold. We are still of this opinion. No dividends on the stock are likely for some time to come because the management desires to build up an even larger corporation. If held over a term of five years the shares have very many attractions indeed.

Canada Packers

Please give me your opinion on the progress being made by the various constituent companies that make up Canada Packers. Will the company be in position to begin paying dividends on the preferred in the near future?

Canada Packers, Limited, is a holding company for the following companies:

Harris Abattoir Company.
The William Davies Company.
Canadian Packing Company.
Harris Abattoir, in turn, owns outright Gunn's, Limited.

Our information is that Canada Packers will begin to pay dividends on the preferred stock within two or three months. It was announced some time ago that the company would not pay a dividend on this preferred stock until a reserve of two years' dividends had been built up. It was understood that this objective would be reached about October 1st.

C.P.R. Vs. Bonds

Would you advise me to sell $1,000 City of Toronto bonds and $500 City of Charlottetown bond and buy C.P.R. stock with the proceeds; that is, do you think over a period of, say, two or three years that there will be a material appreciation in the value of C. P. R. stock, and would it pay me as much by way of dividends as I receive on these 5 per cent. bonds?

The point brought out in your letter is rather an interesting one. As regard securities, the C.P.R. stock is probably as sound as the bonds. On the other hand, the income from the C.P.R. stock at current levels is slightly less than 5 per cent. which you now receive on the bonds. Then again, there is the possibility of a market appreciation in the value of the stock which would offset any slight loss in income. It is impossible, of course, to say that there will be any material appreciation in the value of C.P.R. stock during the next two or three years. Present indications point to higher levels and disregarding the short pull outlook, we are of the opinion that the stock will sell at higher levels.

Current operations of the company show a very satisfactory increase in gross and net earnings and with the biggest traffic-loading season just ahead, we think that the market will react very favorably to this stock.

Wentworth Radio

I shall feel obliged if you will kindly favor me with an expression of your opinion regarding the merits of Wentworth Radio & Auto Supply Co., Ltd., 6½ per cent. preferred stock as a business man's investment.

The 6 per cent. preferred stock of the Wentworth Radio and Auto Supply Company, Limited, looks like a good sound investment, for a business man. The growth of this enterprise from a very small beginning to its present substantial size under the active management and control of the president of the company augurs well for the future possibilities of this investment.

Royal Exchange Bldg.

I see from the Real Estate Bond issue of The Post that a large number of the building bonds pay 7 per cent. I would appreciate your suggestion of two or three that you consider advisable, also what do you think of the second mortgage bond of the Royal Exchange Building?

The 7 per cent. second mortgage bonds of the Royal Exchange Building appear to be well secured, not only by the actual value of the property assets behind them, but also because of the close connection between the Building Corporation and the Canadian Co-Operative Wheat Producers, Limited. The ten-year lease of a part of the building by the Wheat Pool is significant of the stability of income which can be expected for this building.

It is also stated that the second mortgage issue may be called within a year's time, which would give the purchaser at par a nice little premium.

Regarding other issues yielding 7 per cent. such apartment houses as the Cawthra Apartments, of Toronto, and the Medico Dental Building, Montreal, would seem attractive.

National vs. General

Believing that the business of the best established Canadian trust companies will show big expansion over the next few years, I am anxious to obtain some shares in one of the best companies. As I understand the shares of the Royal Trust Company and the Montreal Trust Company are not available to the public, the choice seems to narrow down to the National Trust Company and the Toronto General Trusts Corporation. At present prices of $350 and $275 respectively, the shares of the Toronto General Trusts appear to be the more attractive.

In our opinion there is not much to choose between the National Trust Company and the Toronto General Trusts Corporation. Both are excellent in the trust company class.

National Trust Company is governed by a group of men who are identified with the Canadian Bank of Commerce, and other financial institutions. These affiliations you will conclude must react to the benefit of National Trust.

On the other hand, Toronto General Trusts Corporation in the past has rather prided itself that its splendid position and progress cannot have been attributed to affiliation with other financial institutions.

Canada Vinegars

What do you know about Canada Vinegars Co., and what is your opinion of its common stock as an investment?

Canada Vinegars, Limited, is the largest manufacturer of vinegar in Canada, and has excellent facilities for manufacturing and marketing this product in an economical and profitable manner. The company owns and operates eleven modern vinegar plants located at Toronto, Hamilton, Norwich, Owen Sound, Kingston, Montreal, Quebec, Winnipeg, and Calgary, and operates distributing warehouses at Vancouver, Chicago and New York City.

Earnings of the constituent companies of the consolidation have been substantial for several years; and the economies brought about through ownership of widely distributed plants and economical marketing of this important product assures further increased earnings during the current year.

There is only one class of stock outstanding; that is, no par value shares; and they should prove a good investment based on the stability and strength of this company, which is making and marketing profitably a commodity widely used throughout Canada and the United States.

Russell Motor

I have about $9,000 in bank which I would like to have invested to the best advantage. I have been waiting for some time for a lower price level in the stock market, but it still keeps high.

What would you advise me to do, buy at the present prices, or wait a while longer and hope for a lower price?

If you advise buying now, would you name for me a few of the best securities which you would consider most suitable for one desiring a liberal income return, rather than the prospect of enhanced values at some future date. I have about $10,000 invested in good safe securities, also a good home free of debt, and my business up to the present has always furnished me a comfortable surplus over my living requirements. Am 52 years old, without dependents, and health somewhat uncertain.

I have been following your opinions expressed in The Post, and I think the good preferred stocks would be my best buy. Do you still recommend Russell Motor preferred?

Given that my business continues as it has for years, and that my health gets no worse, my income yearly would allow me to take a little risk, and I had thought of buying some of Sherritt Gordon mine stock, with the hope of getting some reward in the course of a few years. Do you think it would be wise for a man of my years and circumstances to do it.

I also notice that you recommend Pure Gold Manufacturing Co. stock. Would it be O.K. for my needs?

Russell Motor preferred and Pure Gold Manufacturing Company probably would be satisfactory investments for persons desiring high yield. Another high yield preferred stock which seems to us to be safe is the first preferred of Canadian Canners, Limited. A small amount might be placed in the preferred stock of Brantford Cordage which is a company improving its position steadily. There is still a speculative element in this stock, however.

We are wondering, however, if a person in your position, having an income from your business, owning your home free of debt, and having a background of conservative securities would not be making a mistake to continue purchase of stocks with the idea of yield. Assuming that your income from funds already invested and your business gives you sufficient for your living expenses, we believe that you would be well advised to invest in four or five of the soundest Canadian common stocks, such as Montreal Power, City Dairy, Canadian Pacific Railway, Consumers' Gas and Bell Telephone Company of Canada. These stocks at the moment will give you an extremely low yield although all are paying dividends. But we believe that over a term of years the principal value of such investments will be enhanced materially and that the average return perhaps will be somewhat greater than the average return from any selected list of preferred stocks which might be made at this time.

The common stocks we have mentioned and a few others are just as safe as many preferred stocks and a great deal safer than some which might be mentioned.

Sherritt-Gordon is an interesting mining speculation.

Asbestos Corporation

I hold Asbestos Corporation common shares which I purchased on the information contained in your Survey of Corporate Securities. The Survey said that the outlook for the company was excellent. But I have a not insubstantial loss on my holdings. What about it? Was your investment book wrong? Or have you since changed your opinion of the stock? Should I sell or hold?

You quote The Financial Post Survey of Corporate Securities as the information on which you purchased the common shares of the Asbestos Corporation. May we again remind you of our remarks in the Survey, which read as follows:

"Asbestos Corporation securities have not shown much activity. The company is still faced with the difficult problems, as there is not unanimity of opinion among the asbestos producers in Quebec on the question of restricting production. The long term outlook for the company, however, is regarded as excellent."

Our opinion at the present time, touching the corporation, is virtually identical with that expressed in the Survey.

For a short pull, the stock does not look attractive to us. If you are willing to hold it over a term of years, we feel that the shares are a satisfactory speculative hold for a business man.

The predecessor company built up a strong organization which benefited the shareholders materially. Given time, the present corporation should be able to achieve the same end. However, like all mining companies, the stock must be regarded as speculative.

It is understood that at present there is no unanimity of opinion among the few remaining producers of asbestos in Quebec, touching the production and marketing of the crude asbestos. As Quebec produces about 90 per cent. of the world's asbestos requirements, we cannot but feel that at some future date the producers will arrive at some understanding which would permit a larger return on their output. If this should ever take place, the common shares of the corporation would reflect marketwise very quickly the bettered outlook for the industry.

But even supposing no betterment along these lines occurs, over a term of years the corporation should do well. While the management, apparently, does not like to make public information on the company other than through its annual report, yet it is a well-managed organization.

While the stock is undoubtedly speculative, we feel you may well retain the issue — providing your commitments in the stock are not too large, and providing your holdings form part of a diversified speculative list. Diversification is perhaps more important in speculation than it is in investment.

When Women Invest

Some Preferreds That Appear to be Safe; Other Stocks Selling Below Purchase Price; Conservative Issues Suggested

A WEEKLY FEATURE

Two of our household (a sister and a daughter) expect to invest in the coming November about $1,000 each. They would like to find a reliable stock paying 7 per cent. cum. preferred. What do you think of Hunts Pfd.?

What do you advise regarding buying as an appreciative turnover. B. C. Packers at about 67 to 8? Will they pay 7 per cent. cum. on preferred?

Three years ago next December we bought 100 shares Continental Oil on our brokers advice at 25¼. This stock had been up to 31½ very recently, and as there was some activity in "oils" and we had just made a "turn" out of B. C. Oil and Imperial, we bought Continental and have been left high and dry with it ever since.

We had $205 in dividends during 1926 and 1927. Would you advise taking the loss and changing over to some more promising investment out of which we might reasonably hope to recoup ourselves. The enormous supplies of crude oil available does not look encouraging to the layman, that is, for a reasonable time. Efforts are being made but with little success to control or contract supplies.

Do you look for an appreciable advance in B. C. Packers common, to say 25 by the end of this year?

Is Kelvinator doing any better this summer?

We believe that your sister and daughter would find the preferred stock of Hunt's, Limited, a satisfactory investment. The company is small, but is well managed and earnings are satisfactory.

If, as we would think desirable, only about half of the sum of each was placed in this stock there are other preferred stocks of larger companies which would be desirable investments. One of these we might mention is the first preferred of Canadian Canners, Limited, which is now selling to yield a little better than 6½ per cent. There seems no reason to anticipate a time when Canadian Canners will not be able to pay dividends on this preferred stock.

B. C. Packers

The outlook for British Columbia Packers is satisfactory, in fact, highly promising, but one should not overlook the fact that earnings of salmon-packing companies have fluctuated greatly in the past and possibly will fluctuate greatly in the future. The preferred stock you mention is not that of B.C. Packers, the holding company, but that of British Columbia Fishing and Packing, one of the controlled companies. The price at which this stock is selling indicates that market views it as speculative as yet. The position may improve, but it is possible that it may get worse. We think it will improve. At the same time we question if it is a suitable investment for a woman.

If your sister and daughter do not require a high yield, we think that they would be much better satisfied in the long run to buy such a high grade investment stock as City Dairy preferred or Consumers' Gas Company of Toronto. Dominion Textile is another excellent preferred stock.

The reports are that Kelvinator Company of Canada has been doing very much better in the last year, but the stock still must be considered highly speculative, and is not suitable for a person who desires to be conservative in his investment.

Continental Oil is regarded by some astute observers of the market as an interesting long-hold speculation. On the other hand, you might do better in a shorter time if you sold your Continental and bought such outstanding oil stocks as Imperial Oil, International Petroleum and British American Oil. Continental is a big company and should do well in the long run, but its record in the last two or three years has not been encouraging.

We cannot say if British Columbia Packers common is likely to go to 25 by the end of this year. At the same time, we believe it to be one of the most interesting speculations on the Canadian board at this time.

I would like your opinion on Sterling Coal, which I bought at 45 and which is now selling around twelve or thirteen. They have paid no dividend for more than a year. I hold 50 shares.

I would also like your opinion of Canadian Wineries which I bought at 22 and which is now 10½.

I should be grateful for your candid opinion of these stocks.

You ask for our candid opinion regarding Sterling Coal and Canadian Wineries.

Sterling Coal has not been a promising investment for some years. The company is in the same position as a good many other companies producing soft coal in the United States. There are too many coal mines, too many union miners, and not enough markets. The outlook is only fair.

Canadian Wineries

Canadian Wineries is one of the many new companies which have been placed on the market in the last year. Many purchasers, in the first place, were hoping to get a market turn out of it, and when they were disappointed, stock was sold at below the offering price. Our information is that earnings are highly satisfactory, and when and if the bulk of the stock is placed in investment hands, it is reasonable to suppose that there will be an appreciation in market value.

Neither of these stocks can be considered a conservative investment.

As the yield on these stocks is nil, it is possible that you did not have yield in mind when you purchased. In such circumstances, we think you would have been better advised to have bought such a standard common stock as Montreal Power or City Dairy.

If you are looking for a fair yield at this time with the possibility of some appreciation in market value we think that you would be well advised to buy two such stocks as Consumers' Gas and Bell Telephone Company of Canada. They are as safe as any stocks you can buy.

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Alcohol Declares Dividend

MONTREAL.—At a meeting of the board of directors of the Canadian Industrial Alcohol Company the regular dividend amounting to 38 cents a share was declared on the capital stock of the company for the quarter ending September 29th, payable October 15th, to shareholders of record at the close of business on September 29.

CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING SEPT. 25

	Div. Rate	Yield Sept. 24	High for wk.	Low for wk.	Close Sept. 25	Close Sept. 18	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.48	292	289	290	291	240	335	277
Dominion	12+1	4.85	275	262	267	259	114	280	250
Can. Nationale	10	5.29	190	188¼	188¼	190	29	220	185
Imperial	12+1	4.92	265	260	260	260	174	265	245
Montreal	12+2	3.80	368	364½	365	366	268	420	334
Nova Scotia	16	4.12	390	385	390	390	39	410	374
Royal	12+2	3.68	384	367	384	370	428	440	330
Standard	12	4.21	287	285	285	285	73	290	235
Toronto	12+1	4.64	282	280	280	282	56	340	280
Paper—									
Abitibi, com. (n.p.)	4	7.54	53	50¾	52¾	51	3475	89¾	47
Do. pref.	7	...	..	...	...	...	...	130	124
Do. pref.	6	6.59	91	90	90	90	543	103	88½
Belgo Can., pref.	7	6.60	106	105	105	105	119	110	101
Brompton (n.p.)	$2	4.65	45	42¼	42¼	44	1297	71	34½
Can. Pr. & Paper	.	...	33	31	32	33½	1840	55	25
Fraser, com.	$1	1.56	64½	61	64	62	2432	93	47
Int. Pa., c. (n.p.)	$2.40	3.38	72½	68¾	69⅞	68	27900	84⅞	66
Do. pref.	7	7.10	..	...	...	...	...	108	98⅝
Pt. Alf. P., c. (n.p.)	.	...	69	68	68	69	75	150	60
Do. pref.	7	7.00	100	100	100	100	20	108	97
Price Bros., com.	2	2.53	80	79	79	80	520	120⅝	69
Do. pref.	6½	6.22	104½	103½	104½	103⅞	58	108	103
Smith, Howard, com.	.	...	27½	26	26	27	1075	28½	19
Do. pref.	6	6.55	92½	91½	92	92	235	98	91
St. Maur. V., pref.	7	7.21	97	97	97	98	60	105½	95
Wayagamack (n.p.)	$3	3.70	81	80	80	78	91	127¼	61
Steel and Steel Industries—									
B.E. Steel, com.	.	...	5	4½	4½	4½	145	8½	1
Do. 1st pref.	.	...	36	36	36	35	50	48¼	22
Do. 2nd pref.	.	...	7	7	7	7	335	11¼	3½
Can. Car & Found., c.	.	...	54	51	51	53	2292	61¼	32
Do. pref.	7	7.36	95	94¾	95	95½	315	97½	90
Can. Fairbanks, pref.	6+3†	5.94	..	...	...	...	...	103	101
Can. Forgings, com.	.	...	27	27	27	29¼	10	32	15
Do. pref.	1½†	...	..	...	...	...	...	97	65
C.G.E., c. (p. $50)	.	...	..	...	...	...	...	115	70½
Do. pref. (p. $50)	7	5.83	61	59⅛	59⅛	58⅛	25	63	58
Can. Iron, com.	.	...	..	...	...	...	...	27	25
Do. pref.	4	5.12	..	...	...	...	...	80	60½
Can. Locomotive, com.	.	...	..	...	...	...	...	40	25
Do. pref.	7	8.75	80	80	80	80	40	87	75
Dominion Bridge	$2.60	2.77	93¾	88½	92	89	18095	97	61½
Dominion Coal	.	...	80	80	80	90	75	98	75
Dominion Iron, pref.	.	...	11¼	10½	10½	10½	60	12	5
Dom. Steel Corp., pref.	.	...	44	42	44	42	11	76¼	40
East Steel Pr. (n.p.)	.	...	30	30	30	30	50	34	23
Do. pref.	7	7.27	..	...	...	...	...	99	94
Gotfredson, c. (n.p.)	.	...	5	5	5	5	10	15	5
Ford Motor	15		..	...	...	...	...	570	570
Hamil. Bridge (n.p.)	.	...	44⅞	42	44	41	5842	48	23
Do. pref.	6½	7.22	90	89	90	90	60	90	88
Hayes Wheel, c. (n.p.)	.	...	37½	33½	35	34¾	2789	37½	21
Do. pref.	7	7.14	99	98	98	97	25	100	93½
Kelvinator, c. (n.p.)	.	...	10¾	7	9	7	1165	12¾	5
Do. pref.	7	8.58	81½	81½	81½	80½	5	88	65
Lake Sup. Corp.	.	...	9¼	9	9	9⅝	425	9⅝	3
Massey-Har., c. (n.p.)	.	...	46¼	45	46	46	14240	47¼	36¾
Do. pref.	7	6.36	110	109	110	109⅞	133	111	107
McKin. Ind., c. (n.p.)	.	...	50	48	49	52	149	52	27¾
Do. pref.	7	7.14	98	98	98	98	25	99¾	96½
Do. Vot. Trust	.	...	51⅞	49	51⅞	51	1495	52¼	26
N.S. Car, c. (n.p.)	.	...	47	45	47	46	3860	49	34½
N.S. Steel, pref.	.	...	..	...	...	...	...	30	25
Ont. Steel, c. (n.p.)	$1.60	5.33	..	...	...	...	...	40	30
Do. pref.	7	5.83	..	...	...	...	...	120	120
Page Hersey, c. (n.p.)	$3	2.88	105¼	101¾	104	105	4210	108	85
Do. pref.	7	3.39	..	...	...	...	...	212	171
Pressed Metals, c.	$3.25	...	77½	75½	77½	76	160	78	50
Do. pref.	7	7.00	100	100	100	100	6	105	95
Russell Motor, com.	4	6.15	..	...	...	...	...	72	56½
Do. pref.	7	6.81	102¾	102⅝	102¾	102	19	104½	97½
Steel of Canada, com.	7	3.58	195½	188½	194	190	766	240	160
Do. pref.	7	3.78	185	185	185	185	25	220	160
Milling, Foodstuffs and Merchandising—									
Alta. Pa. Gr., c. (n.p.)	.	...	66	64	66	67	681	70½	48
Do. pref.	7	7.07	99	99	99	100	75	102	96½
Atlan. Sugar, c. (n.p.)	.	...	16½	15	16½	15	95	27½	13
Do. pref.	.	...	..	...	...	...	...	85½	70
B.C. Fish. c. (n.p.)	.	...	19	17	18	18½	105	22	6¾
Do. pref.	.	...	73	67	72	67	87	77	46
B.C. Packers (n.p.)	.	...	19½	16½	17	19¾	1455	20	12
Can. Bak., c. (n.p.)	.	...	..	...	...	...	...	42	37
Do. pref.	7	6.82	105	102½	102½	105	55	108	102½
Can. Bread, c. (n.p.)	$6	4.00	150	148	148	150	526	170	148
Do. pref. (A)	7	6.03	..	...	...	...	...	124	114½
Do. pref. (B)	7	6.45	109	108½	109	110	66	112¼	106
Can. Canners, c. (n.p.)	.	...	18½	17¾	18	18	2223	28	17
Do. 1st pref.	6	6.45	93	91½	92	93	278	94½	88½
Do. 2nd pref.	60c	2.79	21¾	21	21½	21¼	2753	26	19
Canadian Salt	8	4.57	175	175	175	168	20	175	154
Christie Br., c. (n.p.)	$1.20	1.36	..	...	...	...	...	131½	79½
Cuban Can. Sugar, c.	.	...	2	2	2	1⅞	10	3½	1½
Do. pref.	.	...	..	...	...	...	...	30	23
City Dairy, c. (n.p.)	$2	2.94	69	65	66	67	2179	69	44⅜
Do. pref.	7	5.46	128	125	125	127	11	130	121
Dom. Stores (n.p.)	$3	2.22	135½	133	135	135	324	138	104½
Fanny Farmer	$1	3.33	30	27	27	31	90	41	27
Ham. Dairies, c. (n.p.)	.	...	40	38½	40	39	180	50	35
Do. pref.	7	6.93	..	...	...	...	...	106	101
Hunts, Ltd., c. (n.p.)	$1	2.27	42	42	42	44	25	51½	37
Do. pref.	7	7.05	..	...	...	...	...	102	98
Inter. Milling, pref.	7	6.39	109¾	109½	109½	109¼	25	111	107½
L. of Woods, c. (n.p.)	$3.20	5.37	59½	58⅝	59½	58⅝	1038	61¾	51
Do. pref.	7	5.78	121	120	121	120	10	125	110
L. Secord, c. (n.p.)	.	...	45	42	45	42	96	48	37
Do. pref.	7	5.30	132	131	132	133½	22	145	121
Loblaw, c. (n.p.)	$2	2.53	79	76½	77	79	227	118	74
Do. pref.	7	5.34	131	131	131	132	10	175	131
Maple Leaf Mill, c.	.	...	120	120	120	120	85	128⅝	94
Do. pref.	7	6.19	113	111	113	112	50	115	103
Muirheads, c. (n.p.)	60c	6.85	9	8	8	9	420	16½	8
Do. pref. (p. $10)	75c	6.52	..	...	...	...	...	17½	11½
Nat. Grocers, pref.	8	8.00	100	100	100	100	100	100	97
Ogilvie Fl., c. (n.p.)	$5+$15	...	425	410	415	425	60	425	380
Do. pref.	7	5.38	..	...	...	...	...	143	130
Pure Gold Mfg. (n.p.)	$2	6.66	30	30	30	29	125	30	22
Shred. W., c. (n.p.)	$3	4.61	66	64	64	65¼	510	78⅞	60½
Stanfords, c. (n.p.)	$1	10.00	10	10	10	10	75	27¼	10
Do. pref.	7	7.84	..	...	...	...	...	96½	89¼
St. Law. Flour, c.	.	...	32	32	32	32	5	52¼	30
Do. pref.	7	7.29	..	...	...	...	...	96	95
Traymore Caf., c.	50c	5.26	10	9½	9½	...	155	10	9½
Do. pref. (p. $20)	7	7.56	18½	18	18½	...	15	18½	18
Viau Bisc., c. (n.p.)	.	...	20	18	19¾	20	125	33	14½
Do. pref.	7	7.82	..	...	...	...	...	90	84
W Can. Fl., c. (n.p.)	$1.40	3.68	40	34½	37	35	467	50	31½
Do. pref.	6½	6.25	104	104	104	103	20	109⅝	102½
W. Grocers, c. (n.p.)	$1	4.65	21½	21½	21½	23½	3	25	19
Do. pref.	7	8.04	87	87	87	86	75	87	75
Weston, com.	.	...	65	61	63	65	85	69	48
Do. pref.	7	6.86	102	102	102	102	15	104	100
Utilities—									
Bell Telephone	8	4.93	165	161	162	165	207	175	154
B.C. Power "A"	.	...	53¾	52½	52¾	...	7572	53¾	52⅞
Do. "B"	.	...	24	21½	23¾	...	2260	24	21½
Calgary Power	5	4.23	..	...	...	...	...	118	100
Consumers Gas	10	5.00	200	199	200	200	129	210	196
East Koot. Pr. (n.p.)	.	...	..	...	...	...	...	27	25
Do. pref.	7	6.73	..	...	...	...	...	104	98
Int. Util. (A) (n.p.)	$3.50	7.60	46¼	42¾	45¾	46	665	51½	40½
Do. (B) (n.p.)	.	...	15	14½	15	15¼	945	19½	6½
Inter. Power, c.	.	...	33½	30	33	30	469	43¼	28¾
Do. pref.	7	7.14	99	97	97	99	25	101⅛	95
Jamaica Pub. Ser., pf.	7	6.25	112	110¼	110½	112¼	45	115	105
Laurentide Power	5	1.98	..	...	...	...	...	275	130
Mackay, com.	7	5.78	..	...	...	...	...	133	109½
Do. pref.	4	5.19	..	...	...	...	...	83	66
Mexican Light, c.	.	...	..	...	...	...	...	112	61½
Do. pref.	7	...	86	86	86	71	20	86	71
Mont. L. H. P. (n.p.)	$2.40	2.20	109⅞	104½	106½	105½	9736	120	89
Mont. Teleg. (p. $40)	8	5.71	54½	54½	54½	54⅛	10	56½	53¼
Nor. Mex. Pr., c.	4	4.39	91	91	91	92	35	110	79
Do. pref.	7	7.00	..	...	...	...	...	105	96
Ot. & Hull P., c. (n.p.)	.	...	..	...	...	...	...	70	35
Ott. L. H. & Pr., c.	6	4.76	..	...	...	...	...	136	126
Do. pref.	6½	6.04	107½	104½	107½	104⅞	8	109	103½
Postal Telegraph, pref.	7	6.86	102	102	102	102	1	102	99½
Power Corp., c. (n.p.)	.	...	79¼	76⅝	78	77½	6683	98	61½
Do. pref.	6	5.88	102	100½	101½	100½	130	103	99
Quebec Power, c.	$2	2.24	90	87½	88¾	86½	1696	115	68½
Shawinigan (n.p.)	$2	2.19	92	88½	90	89½	5539	109¾	81¼
S. Can. Pr., c. (n.p.)	4	2.77	144	144	144	145	25	180	114
Do. pref.	6	5.60	108	106½	107	107	25	109½	100
West Koot. Pr., pref.	7	...	..	...	...	...	...	...	...
Transportation—									
Can. Pacific Rly.	10	4.63	215¼	214¼	215¼	215	56	221	198
Can. Steam., c. (n.p.)	.	...	40¼	37½	38	41½	1566	47½	31
Do. pref.	6	6.21	97	95	96½	97	244	98½	89
Do. Voting	.	...	..	...	...	...	...	45	31
Tractions—									
Barcelona (p. $50)	$1	...	..	...	...	...	...	78	58
Brazilian, com. (n.p.)	$1.76	2.90	61¼	59	61¼	60	46479	64½	50
Do. pref.	6	3.00	..	...	...	...	...	200	160
Detroit Un. Rly.	.	...	1	1	1	1	5	2½	1
Duluth Superior	.	...	9	9	9	9	12	22	7
Montreal Trams.	10	5.12	195	195	195	194	7	212	190
Ottawa Traction	.	...	...	...	...	...	...	73	60
Porto Rico Rlys., c.	$4	...	..	...	...	...	...	70⅜	59
Do. pref.	7	7.00	100	100	100	99	5	101	97
Twin City, c.	.	...	33½	32½	33	34	1317	55	31
Do. pref.	7	6.79	103	103	103	103	45	106	101
Winnipeg Elec., c.	2	1.80	116¾	110	110	112	3734	128¾	93
Do. pref.	7	6.36	111	110	110¼	110	63	115	105½
Textiles—									
Can. Conn. Cot., ref.	4	4.87	82	75½	82	75½	272	88	66
Can. Converters	7	6.68	105	105	105	107	28	127	98½
Can. Cotton, com.	8	7.14	112	112	112	120	55	152	112
Do. pref.	6	5.82	103	103	103	103	7	104½	98½
Can. Woollens, com.	.	...	..	...	...	...	...	25	10
Do. pref.	.	...	..	...	...	...	...	89¼	72
Cosmos Imp., c. (n.p.)	.	...	20½	18¼	19½	20½	260	27½	17
Do. pref.	7	6.98	100¼	100	100¼	100¾	30	101½	97
Dom. Tex., c. (n.p.)	$5	4.54	110	110	110	110	118	134½	101¾
Do. pref.	7	5.60	125	122	122	125	8	131	118
Monarch Knit, c.	.	...	..	...	...	...	...	x39½	7½
Do. pref.	.	...	..	...	...	...	...	70	45¾
Montreal Cottons, c.	6	5.55	..	...	...	...	...	128	108
Do. pref.	7	5.73	124	122	124	120	25	125	118
Penmans, c. (n.p.)	4	4.00	100	100	100	100	31	117⅞	97½
Do. pref.	6	5.50	..	...	...	...	...	109	100
Wabasso Cot. (n.p.)	6	7.14	84	84	84	85	100	133	84
Zimmerknit (n.p.)	.	...	18	17	18	15	85	30	15
Do. pref.	7	7.85	..	...	...	...	...	94½	88
General Industries—									
Am. Sales, c. (p. $25)	4	4.87	82	81	82	80	62	82	71
Do. pref.	7	6.36	111	110	110½	110¼	58	112	105
Asbestos Co., c. (n.p.)	.	...	29	27	27⅜	28½	711	39¼	25
Do. pref.	7	7.77	90	90	90	90	405	97⅜	89
Brant Cd., c. (p. $25)	8	9.30	22⅞	22	22	22	695	22⅞	14
Building Prod., com.	$1.20	3.26	38¼	36½	36½	38¼	820	47	29½
Do. pref.	7	6.66	..	...	...	...	...	106	102½
Burt, F. N., c. (p. $25)	$3	4.22	72	70	71	70⅛	114	76	63
Canada Cement, c.	.	...	29¾	28	29	28½	9146	35¾	25
Do. pref.	6½	6.53	100	98	99	99½	545	101¼	95½
Can. Bronze, c. (n.p.)	$4	3.49	115	112¾	115	114	1285	118	67
Do. pref.	7	6.30	111	110½	111	110	101	111½	109¼
C. Dredge, c. (n.p.)	$2+25	4.26	53	50½	50½	53	712	55½	31
Do. pref.	7	4.48	158	152	152	158½	41	163	108
Cockshutt, com. (n.p.)	.	...	31	29¾	30	30¾	4408	31½	28
Conduits, c. (n.p.)	.	...	13	13	13	15	175	15	13
Do. pref.	7	6.93	..	...	...	...	...	102	101
C. Smelt. (p. $25)	10+40	4.63	278	267	270	270	726	289½	239
Crow's Nest Coal	6	10.00	60	57½	57½	54	55	62	53½
Dom. Glass, c.	7	5.30	133¼	131½	132	133¼	185	144	122
Do. pref.	7	5.38	130	130	130	125	65	130	119
Dom. Rubber, pref.	7	7.00	..	...	...	...	...	100	99
E. Theat. (p. $25)	$2	7.40	..	...	...	...	...	30¾	25
Do. pref.	7	7.36	..	...	...	...	...	100	94
Fam. Players, c., new	.	...	34	32½	32½	34	949	37½	20
Do. pref.	8	...	..	...	...	...	...	106	102
Gilman, com.	6	4.83	124	124	124	116	10	124	109
Do pref.	7	5.38	130	130	130	128	47	130	113
Goodyear Tire, com.	$5+1	3.75	165	155½	165	156	952	168	128½
Do. pref.	7	6.60	106	105½	106	106	257	110	104
Gypsum & Alabas, c.	$3	4.31	70	68	68	70	511	73	51
Ham. Un. Theatres, c.	.	...	14¾	14	14	14¾	385	21½	7
Do. pref.	7	7.52	..	...	...	...	...	97½	82
Holt, Renfrew, c.	$3	3.06	100	98	98	105	230	120	80
Do. pref.	7	7.00	..	...	...	...	...	100	92
Int. Nic., c. (p. $25)	$3	2.37	130¼	123¼	126¼	125	42395	133¼	73¾
King Edward Hotel	$6	9.44	63½	62	63½	62	215	70	50
Lyall Construc. (new)	$3	4.58	66	64	66	65¼	2291	76	50
Loew's, com.	.	...	..	...	...	...	...	40	30
Do. pref.	7	7.77	..	...	...	...	...	102	90
Mitchell, J. S., c. (n.p.)	.	...	50¼	50	50	50	30	55	38
Do. pref.	7	6.76	..	...	...	...	...	105	99½
National Brick, com.	.	...	5¼	5¼	5¼	8	100	9	4
Do. pref.	6	8.82	68	68	68	68	57	75	60
Pacific Burt, com.	6	4.83	124½	124	124½	121	75	137	110
Do. pref.	7	5.38	130	130	130	124	15	136	120
Photo Engrav. (n.p.)	$2	5.71	35½	35	35	34	112	41¼	33
Port Hope San., c., new	.	...	55	55	55	50	200	55	50
Do. pref.	7		..	...	...	...	...	195	120
Rogers, Wm., com.	4	5.47	..	...	...	...	...	75	65
Do. pref.	7	6.86	..	...	...	...	...	106	100
Sher-Williams, com.	6	3.75	160	160	160	159	10	181	159
Do. pref.	7	5.44	128½	128½	128½	129	5	129	115
Simon & S., c. (n.p.)	.	...	42	40	41	42	1260	45	32
Do. pref.	7	6.96	101½	100½	100½	101½	78	101¾	98
Standard Chem., com.	$2	7.54	27	26½	27	26½	100	34	24
Sterling Coal	.	...	..	...	...	...	...	19	13
Tooke Bros., com.	.	...	..	...	...	...	...	20	15
Do. pref.	7	10.00	..	...	...	...	...	78	67
Tuckett Tobacco, c.	4	3.63	..	...	...	...	...	110	98
Do. pref.	7	5.78	122	122	122	120	10	121	114
Woods Mfg., com.	.	...	..	...	...	...	...	38	30
Do. pref.	7	8.86	79	79	79	79	10	80	70
Beverage—									
Brading Brew. (n.p.)	$2	8.00	25⅜	24½	25	28	140	32	24½
Brew. & Distil. (n.p.)	.	...	18	18	18	18½	10	20	15¼
Can. Brew. (n.p.)	$2	6.25	33	30¾	32	32½	315	40	29
Canada Dry. (n.p.)	$3	3.72	83	80½	81	83½	482	87	63¾
C. Ind. Alc. (n.p.)	$1.52	3.53	43¾	42	43½	43½	9009	50½	31½
Do. (B)	.	...	39½	38¼	39½	38¼	1184	47½	35¾
Can. Malting (n.p.)	$1.50	4.34	35½	33½	34	34½	1991	43½	26½
Can. Wineries	.	...	11	10½	11	11	75	23	10½
Carling Brew. (n.p.)	$2	6.83	30¼	28	30	29	1525	44	24½
Com Alc. (n.p.)	.	...	24	22	22	25	155	55½	18
Cosgrave B. (p. $10)	6	9.24	6¾	6½	6½	6⅞	2109	11½	6½
Distil-Seagram (n.p.)	25c	...	20	18¼	19	19	5030	31	13
Federal Distil. (n.p.)	.	...	1¾	1¾	1¾	1¾	275	5½	1¾
Chas. Gurd, c. (n.p.)	$3	3.70	82	79	81	79	117	114	75
Do. pref.	7	6.36	..	...	...	...	...	110	106
Hir. Walker (n.p.)	$2+25	3.68	63¼	60	63¼	61¾	7547	69	50
L. Ont. Brew. (n.p.)	.	...	12	10½	12	10½	45	30	10
Nat. Brew., c. (n.p.)	4	2.97	136	134	134	134	4122	140	112½
Do. pref.	7	5.46	128	128	128	130	25	130	122
Nat. Distilleries	.	...	13	12	12	12½	220	20¾	10
Orange Cr., c. (n.p.)	.	...	25	21	21½	21	240	25¾	14½
Do. pref. (A)	7	6.89	101½	101½	101½	102	5	106	98
Do. pref. (B) (n.p.)	$2	4.54	45	44	44	44½	134	51	39½
Pelissiers (n.p.)	.	...	12	11½	12	11½	95	18½	11
Do. pref.	7	7.00	...	...	...	...	...	103	100
Toronto Brew. (n.p.)	.	...	..	...	...	...	...	10½	7
Oil—									
Ajax	.	...	52	46	48	48	23500	100	43
Beacon Oil	.	...	18¼	18¼	18¼	19	75	20	13¼
Brit. Am. Oil (n.p.)	$1	2.38	42	40⅞	42	41½	16004	42¼	31¾
Can. Oil, c. (n.p.)	$1	1.78	56¼	55	55	55	255	68½	44
Do. pref.	8	5.92	..	...	...	...	...	170	127
Continental Oil	.	...	...	...	...	...	...	22	17
Foothills Oil	.	...	5.00	4.50	4.50	5.00	310	6.35	1.50
Home Oil	.	...	2.70	2.55	2.55	2.60	4160	4.00	2.15
Imperial Oil (n.p.)	$1.50	1.87	81½	75	80½	75¼	26959	81½	56
Int. Pete. (n.p.)	75c	1.83	41½	39¼	41	40¾	14942	44⅞	34½
McColl, c. (n.p.)	.	...	33½	31¾	32¼	33	5832	36	25
Do. pref.	6	6.81	88	87	88	87	70	96	85
North Star, c. (p. $5)	.	...	4.50	4.50	4.50	4.75	25	5.00	2.25
Do. pref. (p. $5)	7	...	..	...	...	...	...	6.50	5.00
Petrol Oil	.	...	11	11	11	12¼	500	21⅞	11
Super Pet., c. (new)	.	...	29¾	28¾	29½	29½	362	37	27½
Do. Voting Trust	.	...	31	29	29	30	97	38	28
Do. pref.	7	7.00	100	100	100	98	10	105	97
Trojan Oil	.	...	..	...	...	...	...	2.50	1.00
Volcanic Oil	$1.45		..	...	...	...	...	41	29
Vacuum Gas	.	...	6	6	6	3½	500	12½	3½
Trust and Loan—									
Can. Permanent	12	4.25	242	242	242	242	15	251	230½
Central Canada	12+6	...	..	...	...	...	...	255⅛	255⅛
Col. Invest. (p. $10)	.	...	..	...	...	...	...	5	4
Econ. Invest. (p. $50)	4	3.54	56½	56	56	56	125	61	55
Huron & Erie	8	4.70	..	...	...	...	...	170	152
Landed Banking	10	4.87	.	...	...	...	...	205	200
Mont. Loan (p. $25)	12+1	6.56	..	...	...	...	...	49½	48
National Trust	12+1	3.61	..	...	...	...	...	370	305
Ont. Loan (p. $50)	12	4.44	..	...	...	...	...	140	128
Real Estate Loan	7	6.19	115	113	115	115	9	115	110
Toronto Gen. Trusts	12	4.36	..	...	...	...	...	300	270
Toronto Mgr. (p. $50)	12	4.87	..	...	...	...	...	123	114
Union Trust	7+1	6.15	..	...	...	...	...	150	130
CURB AND UNLISTED MARKETS									
Asch, com. (n.p.)	.	...	20	20	20	20	10	30	18
Do. pref.	7	8.64	..	...	...	...	...	93	81
Attendu Eng. (p. $1)	.	...	12	10½	12	12	270	21	7
Belding, com.	7	6.25	..	...	...	...	...	112	80
Do. pref.	7	6.36	..	...	...	...	...	110	94
Branston Silk (p. £1)	.	...	..	...	...	...	...	5	5
Do. Def. (p. 4s.)	.	...	..	...	...	...	...	325	310
Bruck Silk Mills (n.p.)	.	...	50	48½	50	50	195	50½	30¼
Can. Celanese	.	...	42	39½	42	41	200	78	38½
Do. pref.	.	...	71	71	71	71	170	103½	70
Can Vickers (n.p.)	.	...	40	37	37	37	200	49⅛	24⅛
Do. pref.	7	7.36	95	95	95	94	10	96½	93
Can. Light & Power	.	...	..	...	...	...	...	49	32
Can. Marconi	.	...	..	...	...	...	...	8¾	6¼
C. Nor. Pr., c. (n.p.)	.	...	80	80	80	80	10	90	65
Do. pref.	7	6.48	..	...	...	...	...	110	100
Can. Vinegar	$1.60	6.03	27	26	26½	26¾	120	27⅛	25
Cons. Food Products	.	...	6	5½	6	5½	110	14½	5
Cons. Sand., c. (n.p.)	.	...	13½	13½	13½	14	115	14	11
Do. pref.	7	8.33	84	83¾	84	84	195	90	83¾
Cooksville Sh. Brick, c.	.	...	..	...	...	...	...	14	14
Do. pref.	4	6.89	..	...	...	...	...	60	55
Dom. Engineering	$3	3.76	79¾	79	79	80	980	84	52
Dom. Fdy. & Steel, c.	.	...	14	14	14	20	50	20	5
Do. pref.	.	...	..	...	...	...	...	42	32
Donnacona	.	...	30	27½	30	27	495	47	20
Dom. Power, c.	.	...	..	...	...	...	...	66	45
Do. pref.	7	6.73	..	...	...	...	...	106⅜	104⅛
Dryden Paper (n.p.)	.	...	42½	39¼	41	40	3672	56	23
Durant Motor (p. $10)	40c	5.00	9¾	8	8	9¼	520	10¼	6
E. Dairies, c. (n.p.)	.	...	45	43	43	43	125	60¾	35
Do. pref.	7	6.86	..	...	...	...	...	102	99
Eng. Elec., c. (n.p.)	.	...	21½	19	21	18	307	31	11
Do. pref.	.	...	90	80	96	82	87	112	75
Farm. Dairy, c.	50c	2.08	27¼	23	24	22¼	2565	27¼	17
Do. pref.	7	6.73	104	104	104	104	1	110	104
For. Pr. Secs. (n.p.)	.	...	44¾	41	44	44	704	56¼	30
Freiman, c. (n.p.)	.	...	..	...	...	...	...	20	19¾
Do. pref.	6		..	...	...	...	...	90	90
Gen. St. Wares (n.p.)	.	...	33	30¾	30¾	32	1282	38¾	23
Do. pref.	7	6.86	..	...	...	...	...	102	101
Gt. W. Sad., c. (n.p.)	.	...	25	22	24	24	393	29½	19½
Do. pref.	6½	6.73	96½	96½	96½	96	10	99¾	94
Hamilton Cot., pref.	$2	6.25	32	32	32	33	10	39	30½
Hinde & Dauch (n.p.)	$1	3.63	24¼	24	24¼	27	50	33	22
Hydro-Electric (n.p.)	.	...	35½	33	34	33	395	85	25½
Imp. Tob., c. (p. $5)	6+2	4.33	9⅝	9⅛	9¼	9¼	2273	11½	8⅛
Kemsley Millburn	.	...	..	...	...	...	...	20	15¼
Loew's London, com.	3	...	..	...	...	...	...	5¾	4
Man. Power (n.p.)	$2	1.96	105	102	102	105	8	123½	83
Mercury Mills (n.p.)	.	...	..	...	...	...	...	41	35
Do. pref.	6	6.59	91	89	89	90	90	96	89
Mitchell, Robt. (n.p.)	.	...	33	32¾	33	32½	255	40½	26
Do. pref.	7	6.60	107½	106	106	105	10	110	95
Montreal Ex. (p. $30)	.	...	22	22	22	23	5	36	18
Municipal Ser. (n.p.)	.	...	10	8½	8½	10	310	17	7
Ott. Riv. Pr. (n.p.)	.	...	..	...	...	...	...	38	25
North Bak. (n.p.)	$2	5.00	40½	39	40	40½	2955	54	37
Paton Mfg., c. (n.p.)	.	...	..	...	...	...	...	68	55
Do. pref.	.	...	..	...	...	...	...	103	102
Perfection Glass	.	...	2¼	2	2¼	2	215	8¾	1⅞
Pub. Util. Inv. (n.p.)	.	...	..	...	...	...	...	14	13
Regent Knitting	.	...	22	21½	22	23	242	33	17
Reliance Grain (n.p.)	.	...	52	51	51⅞	51	805	55	38
R. S. Mills (n.p.)	$2	6.25	33	32	32	33	330	39	29
Sarnia Bridge "A"	.	...	32	31	31	...	540	32	31
Do. "B"	.	...	29	23	28⅞	...	5750	29	23
Robinson Cone (n.p.)	$1.50	6.52	23	23	23	23	5	34½	23
E. L. Ruddy, pref.	7	7.14	..	...	...	...	...	101	97½
Service Stn. Equip.	$1.60	3.63	44½	41	44¼	41	6587	48	33
Simpson, Robt., pref.	6	5.76	..	...	...	...	...	108	102
Sprucolite (n.p.)	.	...	41	41	41	40	55	59	38
Standard Clay (n.p.)	.	...	..	...	...	...	...	84½	33
Standard Pav. (n.p.)	$1.50	5.24	29½	28½	28⅞	28½	1835	29½	23
Tamblyn, c. (n.p.)	.	...	31	30	31	29	105	36¼	21
Do. pref.	7	7.08	98¾	98	98	99	15	100	90
Tip Top Tailors (n.p.)	.	...	29	28	28	28¾	188	32¼	26
Do. pref.	7	7.10	99	98	98¾	98	88	100	95
United Fuel, c. (n.p.)	.	...	25¼	23	25	25¼	81	36	23
Do. pref.	6	6.74	89	89	89	89½	140	93	81
United Secs., com.	.	...	42	42	42	42	30	64½	38
Do. pref.	6	5.82	103½	101½	103	102¼	37	105	100
Waterloo Mfg.	$1	5.55	18¼	17½	18	18	410	20	16

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.

Listed Bond Movements of the Week

Week ending September 25

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos g. mtge.	6	1956	6.18	98	88	98⅛	96	97½	97	97½	97
Can. Bread	6	1941	5.14	107½	105	108	107	..	108	108	..
Can. Pr. & Pa. deb.	5½	1956	6.02	..	..	99½	90	92⅞	92½	93	92½
Cedar Rapids	5	1953	5.22	101⅞	96⅝	105¾	96⅞	96⅞	..	96⅞	..
Dom. Coal	5	1940	5.22	94¾	90	99½	95	..	98⅛	98	..
Dom. Iron	5	1929	8.45	93¾	69	98⅛	94	97	96¾	96¾	..
Mont. Tram. "A"	5	1955	5.06	100	94	101¼	98	99	98½	99	98½
Steel of Can.	6	1940	5.10	107½	105	108	107½	..	102	108	..
War Loan	5	1931	4.75	102.70	101.00	102.85	100.45	101.90	100.30	101.20	100.80
Do.	5	1937	4.50	106.95	102.95	106.70	102.00	103.60	103.20	102.90	102.40
Victory Loan	5½	1933	4.87	106.90	103.05	106.05	102.00	103.40	103.00	103.00	102.50
Do.	5½	1934	5.05	105.75	102.80	105.85	101.90	102.10	102.05	102.40	101.90
Do.	5½	1937	4.65	111.15	106.85	110.95	105.75	106.60	106.20	106.10	105.85
Do., refund	5	1928	5.00	101.50	99.75	100.60	98.80	100.10	99.85	....	....
Do., refund	4½	1940	4.55	102.40	96.50	102.90	96.50	99.30	98.90	99.00	....
Do., refund	5	1943	4.75	106.40	102.30	103.40	101.95	103.05	102.55	103.40	102.30
Do., refund	4½	1944	4.55	103.00	96.60	103.05	98.20	99.20	98.60	99.25	99.10
Do., refund	4½	1946	4.50	102.70	96.70	103.75	98.65	99.30	98.80	99.65	98.65
Do., renewal	5½	1932	5.05	104.40	101.85	105.80	100.90	101.80	101.30	101.80	101.25

Brading Breweries Declare Dividend

Brading Breweries Limited reports earnings during the past six months substantially ahead of the same period last year. The company has recently made numerous improvements in its plant, that not only increases output but also reduces somewhat the cost of production.

The directors recently declared a dividend of 50 cents a share on the common n.p.v. stock.

Unlisted Stocks

Quotations furnished by A. J. Pattison Jr. & Co., Toronto.

These approximate prices are as at 4 p.m., Sept. 25, and as most transactions in unlisted stocks are the result of personal negotiation, these figures cannot be guaranteed.

Industrial Stocks

	Bid	Asked
Border Cities, pfd. bonus c.	$20.00	$28.00
Can. Industries, com.	55.00	....
Can. Industries, pref.	108.00	....
Canada Machinery, com.	10.00	12.50
Canada Machinery pref.	32.00	....
Canada Packers, com.	39.50	43.00
Canada Packers, 7% pref.	98.50	101.00
Can. Paperboard, 7% pref.	....	95.00
Canadian Westinghouse	241.00	260.00
Chase, A. W., 8% pref.	63.00	78.00
Clifton Company, Ltd.	135.00	175.00
Copeland Flour Mills, pref.	20.00	....
Dom. Alloy, pref. bonus c.	.50	2.50
Dominion Linens, pref.	16.50	....
Dom. Manufacturers, com.	6.00	....
Dom. Manufacturers, pref.	70.00	....
Dom. Sewer Pipe, com.	....	64.00
Dominion Sugar, com.	34.00	40.00
Dominion Sugar, 6% pref.	96.00	....
Dunlop Tire, 7% pref.	102.00	105.00
Eastern Car, pref.	75.00	....
Gillett, E. W.	85.00	....
Goodyear Cotton, 7% pref.	101.00	104.00
Greening Wire, 7% pref.	104.00	106.00
Guardian Realty, pref.	65.00	75.00
Harding Carpet, com.	21.00	27.00
Harding Carpet, pref.	....	83.00
Heuthers Brewing, pref.	1.00	3.00
Honey Dew, com.	36.00	42.00
Honey Dew, pref.	87.50	93.00
King Ed. Hotel, "A" 8%	78.00	83.00
King Ed. Hotel, "B" 8%	78.00	83.00
Kingston Ship-Bldg., pref.	17.00	21.00
Kingston Ship-Bldg., com.	8.00	13.00
Loew's London, 7% pref.	6.50	8.00
Loew's Windsor, pref.	33.00	....
Milton Presed Brick, com.	17.50	....
Mount Royal Hotel, com.	6.50	8.00
Mount Royal Hotel, 6% pf.	51.00	56.50
Mount Royal Hotel, 6% pf.	51.00	57.00
Mount Royal Hotel, scrip	2.00	3.50
Nor. Canada Power, com.	49.00	....
Simpson, Ltd., 6% pref.	98.00	100.00
Toronto Baseball Club	....	75.00
Toronto Brick, pref.	73.00	80.00
Toronto Carpet, com.	125.00	....
Toronto Carpet, pref.	98.00	....
Willards Chocolates, pref.	53.00	63.00
Windsor Hotel, com.	25.00	....
Windsor Hotel, pref.	93.00	....
Wood, Alex. & James, pref.	80.00	87.00

Trust and Loan Stocks

	Bid	Asked
British Mortgage & Trust	$206.00	$....
Capital Trust	75.00	85.00
Chartered Trust & Executor	102.00	109.00
Commercial Finance, pref.	76.00	....
Commmercial Finance, com.	18.00	27.00
Debentures & Secs., com.	75.00	....
Debentures & Secs., pref.	72.00	76.00
First Can. Gen. Inv. Trust	100.00	106.00
Guelph & Ont. Inv., par $50	62.50	....
Lambton Loan & Savings	80.00	....
London Loan & Savings	47.00	53.00
London Western Trust Co.	145.00	....
Midland Loan & Savings	17.00	....
Montreal Finance, pref.	46.00	50.00
Mortgage Discount, pref.	6.50	7.50
Mortgage Discount, com.	.40	.60
Mutual Finance, com.	7.75	....
Mutual Finance, pref.	7.75	....
Peoples Loan & Savings	80.00	87.00
Sterling Trust	102.00	....
Traders Finance, pref. bonus	87.00	....
Traders Finance, pref. bonus	87.00	....
Trusts & Guarantee	101.00	105.00
Waterloo Trusts & Savings	120.00	....

Insurance Stocks

	Bid	Asked
British American Assce.	$55.00	$....
Canadian Fire Insurance	110.00	125.00
Canada National Fire	26.00	32.00
Capital Life	24.00	33.00
Commercial Life, 10% paid	18.00	25.00
Commonwealth Life, 10% pd	22.00	28.00
Continental Life, 20% paid	82.00	100.00
Crown Life	350.00	450.00
Dominion Fire	145.00	165.00
Dom. Guar. & Accident	350.00	425.00
Dominion Life, 50% paid	420.00	500.00
Empire Life, 15% paid	33.00	38.00
Excelsior Life, 30% paid	120.00	....
Federal Fire	39.00	....
Fidelity Ins. of Canada	145.00	175.00
Great West Life	575.00	675.00
Guarantee Co. of N. A.	260.00	....
Halifax Fire	45.00	55.00
Manufacturers Life	380.00	450.00
Monarch Life, 10% paid	47.00	52.50
Montreal Life, 20% paid	67.00	73.00
National Life, 25% paid	85.00	105.00
North American Life	73.00	....
Ontario Equitable Life	37.00	43.00
Saskatchewan Life	19.00	....
Sovereign Life, 25% paid	60.00	75.00
Sun Life, fully paid	2000.00	2300.00
Toronto Casualty	23.00	30.00
Western Assurance	65.00	75.00
Western Life	15.00	....

Club Shares

	Bid	Asked
Bayview Golf	$25.00	$40.00
Lakeview Golf	45.00	70.00
Lambton Golf	375.00	425.00
Mississauga Golf	20.00	40.00
Rosedale Golf	180.00	225.00
Summit Golf	20.00	40.00
Thistledown Golf	45.00	65.00
Thornhill Golf	60.00	80.00
Weston Golf	80.00	100.00
York Downs Golf	250.00	300.00

Recent London Quotations

	Sales
Calgary Power	122½
Hudson's Bay	125s.
Hudson's Bay 5% pref.	99s. 4½d.
Can. West Lumber	7s. 1½d.
Standard Chemical, 7%	25½
Dominion Tar	53s. 1½d.
Mond Nickel	109s. 6d.
Lake Superior	7

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	104½	..
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	....	80

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	108	..
Home Invest. & S. Assn.	76	..
Nor. Can. Mort.	..	32
N. Mtge. 50% paid	26	..
Northern Trusts Co.	50	52
Standard Trusts Co.	..	35
No. Star Oil, pref.	5.40	5.50
No. Star Oil, com.	....	5.25

Foreign Exchange

NEW YORK FUNDS

	High (Discount)	Low (Discount)	Last year High (Discount)	Last year Low (Discount)
Sept. 20	Par	Par	1-16	7-64
Sept. 21	Par	1-32	7-64	9-64
Sept. 22	1-64	1-64	9-64	9-64
Sept. 24	1-64	1-64	9-64	9-64
Sept. 25	Par	1-64	1-8	9-64
Sept. 26	Par	Par	1-8	1-8

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
Sept. 20	4.84 5-8	3.90 5-8	5.22 7-8
Sept. 21	4.84 5-8	3.90 7-16	5.22 7-8
Sept. 22	4.84 9-16	3.90 13-32	5.22 7-8
Sept. 24	4.84 1-2	3.90 7-16	5.22 7-8
Sept. 25	4.84 9-16	3.90 1-2	5.22 11-16
Sept. 26	4.84 9-16	3.91 1-8	5.22 5-8

FOREIGN EXCHANGE

Par		Sept. 19	Sept. 26
19.30	Italian	5.23	5.23
23.80	German	23.83	23.84
13.90	Belgian	13.90	13.90
49.80	Japanese	45.93	45.80

NEW YORK CURB

	Close Sept. 12	Close Sept. 19	Close Sept. 26
Can. Marconi	7 1-8	7 1-4	7 1-8
Ford Canada	578	605	592
Imp. Oil Can.	72 1-8	75	80 1-2
Inter. Pete.	38 3-8	40	40
Int. Util. "A"	..	40	40
Int. Util. "B"	16 3-8	15 1-4	15
Nipissing	3 3-8	3 1-4	3 1-4
Noranda	53	52 1-2	49 1-4

Agreed on Principle Barring Over-Insurer

By Staff Editor

REGINA.—The insurance superintendents discussed the problem of making over-insuring an offence, but were inclined to move cautiously in making recommendations. Henry Brace, for Alberta, told of the experience of his province where the law can now punish those who over-insure. Difficulties in the way of interpretation and enforcement of such a law were discussed but the opinion was generally expressed that the Alberta legislation is sound in principle and points the way to serious consideration by all the provinces of the problem.

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CANADIAN DREDGE EARNINGS INCREASE

Several Big Orders Assure Substantial Earnings Rest of Year

The outlook for substantial earnings for the balance of the year for the Canadian Dredge and Dock Co. is stated to be excellent, a number of large orders on hand assuring big volume of business for many months to come. At present the various units of the company are busily engaged, the larger contracts upon which they are working, including the harbor at Charlottetown, P.E.I., and the new International Paper undertaking in New Brunswick.

It will be recalled that the company recently declared a dividend and bonus on the common stock and showed net profits for the six months ended July 31 last of $309,590.

It is now stated that listing of the $1,500,000 seven per cent. preference and 50,000 shares no par value common stock outstanding, will take place very shortly. It is expected that the stocks will be called on the Montreal Stock Exchange next week.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, SEPTEMBER 28, 1928 10c. a Copy; $5.00 a Year No. 39

Financiers Study How to Help West Add to Its Wealth

Belief of Association is That They Gain as Farmers Gain

SUCCESSFUL MEET

Leading Loan Executives Learn Something of Problems Faced by Agriculture on Prairies

By FLOYD S. CHALMERS, Managing Editor, The Financial Post

REGINA. — When sundry well-meaning folk with an insurmountable instinct for trouble making speak of the cleaving between East and West, they forget that prosperous West and progressing Western Canada is the strongest assurance of a thriving East. The converse is also true; when Eastern Canada's purchasing power is moving in an upward direction the West benefits in two ways: by enlarged markets and by the accretion of capital to be sent westward for the construction of plants and warehouses, for loaning on land, for western development generally.

There can be no doubt that the executive of the Dominion Mortgage and Investments Association had a thorough recognition of these truths when they planned their twelfth annual meeting in Regina, the meeting which was held last week and attended by leading trust company, loan company and insurance company executives from every part of the Dominion.

Study Farmers' Problems

Practically the entire meeting was devoted by these busy men to getting a better understanding of what the West needs to insure its continuous prosperity and in learning how the larger financial institutions of Canada can direct their efforts to building up a bigger west. It may be admitted that no selfish motive was not absent; if the loaning companies can help to keep the Western farmer on his feet they make certain that their losses in Western loans will remain at the minimum; if they can add to the value of Western farms they can create a larger field for lending. A prosperous West means not only that more good farmers to lend money for but it means that more money per acre can safely be loaned on the existing farms.

So it was that the men who control the lending of many millions of dollars in the West sat down at their meeting here and listened to experts discuss the farmers' problems. They studied rust research; marketing of agricultural products; diversification of farm revenues; economies in harvesting methods and the mechanization of the farm; the resources of the provinces; the credit needs of the West; settlement of vacant lands and allied subjects.

Called Outstanding Meeting

It was not surprising that the mortgage men declared this year's meeting to be their outstanding achievement in the way of discussion of how they can advance the interests of Canada as they advance their own interests.

A few of the leading lending chieftains who attended the meeting were: Leighton McCarthy, president; T. G. McConkey, general manager, and L. R. Young, treasurer, of the Canada Life; C. M. Bowman, chairman of the Mutual Life; George H. Smith, general manager of the Canada Permanent Companies; R. P. Jellett, general manager of the Royal Trust; C. F. Ferguson, general manager of the Great West Life; John B. Laidlaw, general manager of the Norwich Union group; J. F. Weston, general manager of the Imperial Life; Morley Aylesworth, of the Huron and Erie; Dr. B. G. Connolly, general manager of the Capital Life; W. H. Somerville, general manager of the Mutual Life.

Over 100 were present in all.

Urges Mortgage Companies to Help Raise Seed Standard

"The mortgage and loaning organizations of Canada are partners with the farmers with whom they are doing business," Major H. L. Strange, president of the Canadian Registered Seed Growers' Association, told loan men. "You share his prosperity and you must share his misfortunes, especially when those misfortunes are of a character over which he has no control or which are brought to him by nature."

Major Strange urged the organization to do all that was possible in insisting that farmer clients should use good seed. "I am not pleading that every acre be sown to registered seed, but I do plead for the general use of good seed which is something that would be ideal. But I am pleading that you use your influence on your farmer clients not to use any old kind of seed, but that they shall use the better class of seed."

Capital: $1,000,000
Reserve: 350,000

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Massey-Harris Builds Western Warehouses

By Staff Editor

REGINA. — Thomas Bradshaw, general manager of Massey Harris Company states that his company expects the current year's crop to be productive of continued good business in Western Canada for his company. Mr. Bradshaw has been visiting the company's western branches and indicates that no special significance attaches to his visit. Nevertheless the fact that Massey-Harris is building large new modern warehouses in Regina and Saskatoon, replacing old structures that have existed for many years indicates that the company is laying its plans for big Western business.

Mr. Bradshaw, seen here, told The Financial Post that combine sales have been exceptionally good this year. He also expressed satisfaction with the trend of export business as well as of sales from continental plants.

LAND INSPECTORS TRAINED IN WORK AT SHORT COURSE

Association Gives Support to Training Classes at University

Dominion Mortgage and Investments Association has been contributing to the support of an annual short course for land inspectors at the University of Saskatoon. The training given at this course enables the inspectors employed by the different loaning institutions to make more careful and effective surveys of farms where mortgage loans are sought and it also enables them to be of considerable assistance to the farmer in improving his methods and making his property more valuable.

At the Regina convention of the association it was undecided whether to continue the association's support of this short course. After J. J. Rooney, inspector of the Great West Life, and representative of the Land Inspectors' Association at the convention, had told its value, the matter was discussed, but final decision was reserved. Mr. Rooney said:

"The first Inspectors' Association was formed at Regina in February, 1920, the membership to consist of bona fide inspectors in the employ of financial institutions operating in the provinces of Saskatchewan and lending money on the security of real estate, the objects being to promote "the social and general interests of members. A constitution with by-laws was drawn up providing for a yearly convention. Two or three years later an association was formed at Saskatoon, followed by Edmonton, and in 1925 by Winnipeg. When the short course was arranged by the Saskatoon Association with the Agricultural Department of the University of Saskatchewan, bringing in the other associations, it was necessary to have a committee to administer and carry on the work from year to year. Each association appointed two delegates to act for it—thus, there are eight members of the committee known as the Western Canada Land Inspectors Association from whom are chosen the officers. This body has no constitution or by-laws, existing only for the purpose of the short course at the university. In addition, two representatives of the University and two of the company managers act with the committee in an advisory capacity.

Five Days Each Year

"The course has covered five days in the last week of February for the last four years.

"The curriculum has been made as practical as possible, the last course including the following lectures with demonstrations:

Soils, two lectures; what plant life tells us about the soil; sub-marginal lands; insect pests; livestock on the abandoned farm; sow and Canada thistles and wild oats; farm machinery used for eradication of weeds.

Lectures of a more theoretical nature were: Economic progress in the light of Danish experience; buying power of Europe in relation to Western farm products; the business cycle; loans and investments—the duties of inspectors, recent legislation; stock demonstration.

Constantly Improve Course

After each course the curriculum for the following year is drawn up in the light of criticisms received with the one object of coming closer to the problems of land inspectors, and to try to find solutions or give a lead to investigations that will assist to that end. Every member has the opportunity of contributing to the discussions and influencing the result—thus with the assistance of the advisory members of the committee, the short course will, year by year, be adapted to the conditions then current in the prairie provinces.

"When a short course was first suggested the authorities of the University, Dr. Murray, president; Dr. Rutherford, Dean of Agriculture; and Dr. Swanson, Professor of Economics, at once saw the opportunity of enlarging its influence on the farming community of the West to the betterment of farming operations and conditions through the medium of the land inspectors who in their work come into contact with many thousands of farmers in a year—and seized upon it. Dr. Swanson particularly has given unsparingly of his time and experience to make the yearly course a success and has, in addition, brought to it an enthusiasm that has fired the imagination of all those who have had the pleasure of working with him in this connection.

Professors Give Time

"In the preparation of the lectures for this course it has been necessary, after the subjects have been decided upon, for the professors to give considerable time to condensation of their

(Continued on page 12)

FORESEES ADVANCE IN DAIRY CATTLE THROUGHOUT WEST

Farmers Begin to Think as Wheat Drops to Low Point

NEED TO DIVERSIFY

"God Pity Cowless, Sowless, Henless Farm," is New Thought in the West

By J. A. CAULDER, President, National Dairy Council and President and General Manager, Saskatoon Co-operative Creameries, in address at Regina.

In 1906 the total make of butter in Saskatchewan was 132,446 lbs. In 1910 it was 596,228 lbs.; in 1915 twenty-four creameries made 3,857,862 lbs.; in 1920 forty-eight creameries made 6,638,895 lbs.; in 1925 seventy creameries made 15,946,233 lbs.; in 1926, the total make was 16,629,136 lbs., but I am sorry to report that in 1927 there was a serious decline and although we had more factories in operation in the province, our total make was 11,995,531 lbs. The history of the growth of butter making in Saskatchewan is almost the same as the recorded history of Manitoba and Alberta. We find that in 1926 Manitoba reached 15,482,630 lbs. and in 1927 dropped to 14,231,026 lbs. We also find that Alberta in 1924 made 22,339,857 lbs.; in 1925 decreased slightly over 2,000,000 lbs.; in 1926 remained stationary, and in 1927 dropped to 16,179,712 lbs. British Columbia has not shown a rapid gain. In 1900 they made 395,808 lbs. and in 1927, 4,183,533 lbs. Cheese making has made very little headway in our western provinces. In 1900 the only cheese made on the prairies was in Manitoba and Alberta, with 1,300,000 lbs. By 1910 this had declined to less than a million, by 1915 slightly over a million; in 1925 almost 3,000,000 and a little less in 1926.

Trying to Convince Farmer

Those of us who have been connected with dairying since 1909 realize how difficult it was to talk dairying to a wheat farmer in Saskatchewan at that time. Conditions change, however, and we find an increasing interest year by year and it is rather remarkable in this province to realize that the production of creamery butter in Saskatchewan showed a steady increase from 1905 to 1926, with the exception of the 1917, when there was a very small setback, undoubtedly owing to $3.00 wheat in 1916. We find, however, in 1918 the production of creamery butter forged ahead once more and in all the provinces an increase was shown each year until 1927, when serious declines were registered everywhere, undoubtedly due to the fact that the price of wheat was out of line with the price of butterfat. I am sure that during the hard years which we experienced between 1910 and 1926, the mortgage companies would not have fared so well and the province would not have had such a good record had it not been for the development of dairying. The creamery butter output in this province in 1926 perhaps sold for between 6,000,000 and 7,000,000 dollars. Add to this the consumption of milk and cream in fluid form in our towns and cities, and our ice cream output of approximately 600,000 gallons per year, and it will be seen that the dairy industry of the province represented a tidy sum and the cream tickets, amounting to about six or seven thousand per day during the flush period, went a long way to pay the grocery bills and the repair bills which in return made it unnecessary for the thrifty dairy farmer to run up heavy store bills during the summer, and again in turn left the net proceeds of the wheat crop very largely to go toward the reduction of capital debt on the farm. I am sure that our bankers and our retail and wholesale merchants of this province welcomed the cream ticket. Thirty cent butterfat cannot compete with dollar and a half wheat. Forty cent butterfat will compete with dollar wheat.

Butterfat Looks Attractive

"We who are connected with the industry believe that we see the turning point. The crop in this province last year—although great in bushels—was not after all a very profitable crop. The prices of butterfat during the past year have been high owing to the fact that our make of butter has declined in Canada to a point where we cannot begin to take care of our own requirements. Undoubtedly the total make of butter in Canada this year will not come within fifteen or twenty million pounds of supplying our own needs. It is perhaps more correct, however, to say that the development has not kept pace with the increased population and the increased purchasing power of the country, so that whereas in 1924 we had an exportable surplus of approximately 25,000,000 lbs. we will undoubtedly import fifteen or twenty million pounds in the fiscal year ending March 31st, 1929. In this country we consume approximately 28 lbs. of butter per capita per year, undoubtedly the highest per capita consumption in the world. In eastern Canada they have very large exports of fluid milk and cream, also condensed and evaporated milk, to the United States. Our milk powder factories are shipping their product all over the world. Canada's cheese still is the best cheese in the world and commands the highest price. Our best butter is as good as the best in the world, our average possibly not up to the average of Denmark, New Zealand and Australia. However, the fact that we do make good creamery butter is clearly proven by the fact that in 1925 two Saskatchewan buttermakers, both still making butter in this province, won the first and second prizes, consisting of the gold and silver medals, at the London Dairy Show under the auspices of the British Dairy Farmers' Association, and again in 1927 these same buttermakers won honorable mention, but

(Continued on page 13)

Heads of Big Loan Companies Confer With Western Farmers

Representatives of Canada's mortgage, trust and insurance companies met in the adjourned annual meeting of the Dominion Mortgage and Investments Association in Regina last week. Problems of the Western farmer were discussed and the men who control the loaning of many millions—in fact billions—of dollars of money listened to representatives of Western farmers who discussed problems and developments affecting agriculture on the prairie. In this way the lending companies were brought into intimate contact with those whose work in the development of Canada's natural resources they finance through mortgage loans and debenture purchases.

The national importance of this meeting cannot be denied and The Financial Post presents this week some of the leading addresses and discussions at this meeting.

The meeting was attended by a staff editor of The Financial Post, who was the only representative of any Canadian publication, other than the Regina daily newspapers, to be present at this important gathering.

Troublesome Days Over in Municipal Finance

Only New Development in Defaults Situation is in School Districts in Manitoba — Former Settlements Are Working Out

The troublesome days in Western municipal defaults are past, L. R. Young, treasurer of the Canada Life Assurance Company, was able to tell the Dominion Mortgage and Investments Association when he presented them with the report of the committee on municipal finances which was prepared by Jules Fortin, assistant secretary of the association.

The report outlined in detail the position of all Canadian municipalities and other municipal corporations that have defaulted in any way on their bonds: It read as follows:

"Your committee has been actively engaged in completing the adjustment of the finances of the four municipalities, and their school districts, adjacent to the City of Winnipeg, and in making effective the supervision called for by the agreements entered into with the municipalities on behalf of the debenture holders. These agreements were ratified by the legislature of Manitoba and the exchange of old debentures and coupons for consolidation debentures has been practically completed.

"The Swift Current agreement became effective on 1st of January, 1928, and debenture holders have been requested to forward their debentures and coupons to be dealt with in accordance with the agreement entered into.

"The attention of your committee has been drawn to default on the part of numerous rural school districts in the Western Provinces and it is hoped that it will be possible for your committee to study this situation more closely during the coming year.

Indebtedness Involved

"The following statement shows the amount involved in the various adjustments made from time to time, together with an indication of the present standing of each of the municipalities:

of Public Utility Commissioners dated 15th September, 1927. This recommendation was approved by over 87 per cent. of the debenture holders and assented to by the Lieutenant-Governor-in-Council so that its terms are in force. It provides for adjustment of the debenture debts of the Town of Athabasca and of Athabasca School District No. 839, as follows:—

"(a) Payment in cash of interest coupons due on the first day of July, 1926.

"(b) Payment in cash of an amount representing 20 per cent. of the face value of the debentures now outstanding.

"(c) Payments as indicated above (a) and (b) to be in full settlement of all outstanding debentures and coupons.

"(d) The surrender to the Board of Public Utility Commissioners in Edmonton of all debentures and coupons before the above mentioned payments (a) and (b) are made.

"(e) Payment by the Town of the Committee's expenses.

"The Board of Public Utility Commissioners advises that the great majority of outstanding debentures have been deposited with the Board and dealt with in accordance with the terms of this recommendation.

"Bassano. The adjustment of the affairs of this town and school district, details of which we reported at the 1926 Annual Meeting of the Association is apparently working out satisfactorily and no complaints have been received from debenture holders.

Beverly and Bow Island

"Beverly. The Board of Public Utility Commissioners under whose supervision this Town and School District are operating, has not as yet made its formal recommendation but it advises that the same will shortly be available. It will be recalled that the adjustment

THE DOMINION MORTGAGE AND INVESTMENT ASSOCIATION
Indebtedness Involved (By Provinces)

	Cons Debt.	Remarks
Alberta:—		
Athabasca	$ 243,758.00	Compromised
Bassano	298,265.00	Meeting compromised payments
Beverly	64,712.00	Enquiry incomplete
Bow Island	108,000.00	Settlement pending
Carmanguay	22,000.00	Settlement effected
Chamberlain S.D. No. 1513	4,667.00	Settlement effected
Macleod	638,000.00	Meeting compromised payments
Redcliff	527,005.00	Meeting compromised payments
Taber	205,720.00	Meeting compromised payments
Tofield	107,000.00	Meeting adjusted payments
	$2,219,127.00	
British Columbia:—		
Greenwood	$ 57,072.00	Receiving consideration
Port Coquitlam	556,985.00	Gradually catching up on arrears
	$ 614,057.00	
Manitoba:—		
St. James	$3,768,527.00	Settlement completed
St. Vital	1,348,183.00	Settlement completed
Transcona	1,046,399.00	Settlement completed
West Kildonan	1,110,203.00	Settlement completed
	$7,273,312.00	
Quebec:—		
Aylmer	$ 992,000.00	Catching up on arrears
Saskatchewan:—		
Battleford	$ 902,600.00	Meeting compromised payments
Canora	143,000.00	Catching up on arrears
Humboldt	756,023.00	Meeting compromised payments
Melville	441,416.00	Meeting adjusted payments
North Battleford P.S.D. No. 1438	120,000.00	Meeting payments on original basis
North Battleford R.S.C.D. No. 16	21,131.00	Meeting adjusted payments
Prince Albert	3,540,758.00	Meeting compromised payments
Scott	182,000.00	Meeting compromised payments
Sutherland	287,788.00	Meeting compromised payments
Swift Current	1,409,535.00	New agreement in effect
	$7,804,251.00	
Grand Total	$18,902,747.00	

Sale of Public Utilities

"Early in the fall of 1927, press reports indicated that a number of municipalities in Saskatchewan were negotiating with private corporations to take over the ownership and operation of electric light and power plants. Generally speaking, the cost of building these plants and distribution systems has been met by debenture issues; the interest, principal or sinking fund payments being provided for out of the earnings, and where these have not been sufficient—out of the taxation or other municipal revenues. Where the earnings have exceeded these requirements the surplus is usually applied to meet other obligations.

"In all cases the debenture holders of such municipalities are directly interested in any change in the actual control of property which represents in whole or in part the security for the debentures which they hold. Debentures, when issued for the construction of municipally owned and operated plants, are entitled to the protection which is contemplated by the terms upon which the debentures are sold. If the municipality or issuing authority disposes of, or relinquishes, actual control of the plants referred to, a change takes place which was not contemplated by the debenture by-laws which authorized the debentures, and such change may impair the security of the debenture holders.

"For the protection of the municipality as well as the holders of such debentures, it would appear necessary that the terms of sales or leases be such as will ensure the retirement of the principal and the payment of interest at maturity.

Legislation Enacted in Saskatchewan

"With this end in view your committee communicated with the Honorable the Minister of Municipal Affairs for Saskatchewan, pointing out the need of supervision over proposed sales or leases and suggesting that the Local Government Board of Saskatchewan be empowered to supervise such sales or leases.

"By amendments to the Municipal Public Works Act, made at the last session of the legislature, all such sales or leases are made subject to the approval of the Local Government Board, and provision is made for the protection of holders of debentures.

Alberta Defaults

"Athabasca. The Committee of Debenture Holders advised acceptance of the recommendation of the Board

of the affairs of this town and school district made in 1922 expired at the end of 1925 and that the Board has had this matter under consideration since that time.

"Bow Island. The affairs of Bow Island School District have been adjusted by a recommendation of the Board of Public Utility Commissioners, dated June 1st, 1927, duly approved by 60 per cent. of the debenture holders, in accordance with the following:

"1. That coupons in arrears, together with the interest on the outstanding Registered Income Certificates at due date in 1926 be paid.

"2. That the debenture liability as at 31st December, 1926, be refunded for a period of 40 years at 6 per cent. per annum by new debentures dated 31st December, 1926, repayable in 40 equal annual instalments of combined principal and interest commencing 31st December, 1927.

"3. That provision be made for the retirement of any part of the principal in advance of due date on 31st December in any one year; such pay-

(Continued on page 12)

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UTTER BREAKDOWN OF LOCAL BANKING LESSON TO CANADA

Great American Banker Praises Canadian Banking System

BLOW TO FARMERS

When 1,331 Banks Failed in Four States, Farmers Lost Three Hundred Millions

Some forty years ago a young bank clerk in Toronto, who had joined the Merchants Bank of Canada in his native town of Berlin, Ontario, as a messenger, moved westward to Minneapolis and started in as an extra bank clerk with one of the up-and-coming institutions there. When the 22 year old bank clerk left Canada, this country lost a man who may have become one of our greatest bankers. To-day he is one of the leading bankers of the Northwestern grain states, is president of the Minneapolis, St. Paul and Sault Ste. Marie Railway, director of leading corporations and a widely consulted expert on agricultural problems. The bank clerk came back to Canada for a few hours and in the person of C. T. Jaffray, addressed the Dominion Mortgage and Investments Association convention in Regina.

Mr. Jaffray traced the history of the post-war agricultural depression in the four states of Wisconsin, Minnesota, North and South Dakotas. He told the story of how big business interests of the country, through the formation of the Agricultural Credit Corporation of which he became the head, put the farmers of these states back on their feet by enabling them to diversify their production, adding cattle, sheep, poultry and dairy products to wheat as a source of income.

Failure of Bank System

Most interesting to Canadians, though in Mr. Jaffray's talk was his account of what agricultural depression did to the local banking system of these states. The unit system of local banks fell down completely and contributed to making the depression more severe than it need ever have been.

"In the depression that followed 1920 in our states, the worst factor in the period of hard times was the break-down of the unit bank system," said Mr. Jaffray. "This gave the farmers a terrible blow and may serve as a lesson to Canada when various people suggest something like the American unit banking system as the primary need of the Western Canada farmer.

"Following 1920 there were 1,331 bank failures in our four states. These failures cost the farmers directly more than $300,000,000.

Praises Canadian Bank System

"You will escape such a catastrophe in Canada. You often hear people suggest the American unit banking system as what Canada needs. The plea is that local people will gain from local ownership and control of their banks. But when the crisis came in our districts, local ownership proved the undoing of the banks. Apart from their limited resources, some of them starting business on $5,000 and many on only $10,000 capital, the locally owned and controlled banks could not easily reduce the loans of their local borrowers, many of them stockholders in the bank and all of them friends of the banks' officers. The farmers were the ones who suffered from this very fact. Many of the banks when they reached the limit of their resources simply closed their doors. Even the remaining banks suffered. They had to fight to stay open at all. They had to call loans; farmers who thought that they could carry through the depression had to liquidate their foundation herds and raise money at terrible cost to themselves.

"The biggest factor in our period of depression was this break down in the bank system that you so often hear promoted for Canada.

"They say the Canadian bank system is a cold blooded system. The manager, even if he is friendly with the would be borrower has to get his loans passed by a cold blooded unfriendly group in Montreal. This is the complaint. That is no weakness in your banking system. It is not in the interest of the farmer that he should be able to borrow money on the basis of personal friendship. In Canada the farmer gets the credit he needs; he gets just what he ought to get and this protects him from danger in a crisis."

Vancouver. — Harvest excursions to the Prairie Provinces are a fine colonization aid to British Columbia, it is stated by authorities here. The newer settlers in all parts of the province where land has not yet been developed find the $200 to $300 they are able to earn as harvest laborers, invaluable.

Huge Corporation Formed to Finance Settlement Effort

Companies Finance Western Settlement

Last week The Financial Post was able to publish the first summary of the new scheme by which Canada's lending institutions will finance a huge scheme of colonization and settlement in Western Canada. Herewith is presented the text of the report on the subject delivered in Regina by C. M. Bowman, chairman of the board of the Mutual Life Assurance Company of Canada.

Loan, Trust and Insurance Companies in Big New Scheme

PURCHASE IDLE LAND

Will Work with Colonization Company to Insure Success in Putting Immigrants on Land

By C. M. BOWMAN, Chairman of Special Committee on Land, Settlement and Colonization

The loaning corporations of Canada, as represented by the mortgage, trust and life insurance companies, have played no inconsiderable part in the building up of Western Canada. These companies were the pioneers who, following unblazed paths, furnished the homesteader with capital, repayable over a period of years, with which he could discharge his obligations and liabilities, incurred while making a farm home for himself and his family out of undeveloped Crown lands. These companies were real empire builders, as without this service, which required both vision and courage, the development of Western Canada would have at least been greatly retarded.

In the trying period of deflation following the close of the war, through which we have happily passed, when the depreciation in the price of farm products, accompanied by the decrease in land values, found a large number of farmers in Western Canada in financial difficulties which resulted in throwing in the aggregate large holdings of farm lands into the hands of the loaning companies, many of the companies, not being desirous of having their assets tied up in non-liquid form and becoming land holding companies, in many cases followed the lines of least resistance by inducing the adjoining farmers to purchase this land in addition to their holdings — in some cases with a small cash payment down, and in many cases with no cash payment—frequently only aggravating an already serious situation; first, by making a prosperous farmer who was able to handle his own land well, into a non-prosperous farmer with large overhead, and secondly unduly depressing land values, when a more prudent course might well have been followed.

Too Few Farmers

This, in spite of the fact that a careful survey of the land under cultivation in Western Canada had disclosed the fact that 30 per cent. more farmers are needed to enable the present overburdened land owners to subdivide Western farms to the size necessary to bring agriculture in the Prairie Provinces to the peak of profitable production, as it is generally recognized that many Western farmers attempt to cultivate one or more sections of land, who could undoubtedly make a greater net profit on 320 acres.

The realization of this unwise course and the necessity of obtaining 30 per cent. more tillers of the soil was brought home to many of the executives of the loaning companies, and assisted in bringing about the formation of a special committee on land settlement and colonization, the duties of which were to look into the situation, study various remedies proposed, and report to the Dominion

(Continued on page 13)

FORESEE SUCCESS IN SCIENCE FIGHT ON RUST'S MENACE

Research Work Outlines Work Done in Combatting Great Enemy

Despite the fact that Western Canada is faced with the terrible scourge of rust, progress in its eradication is being made and within a few years it will yield to well directed and sustained scientific research.

This was the opinion expressed recently by Prof. J. H. Craigie, B.Sc., of the research department of the University of Manitoba, in the course of an address on the subject of rust to the delegates attending the 12th annual meeting of the Dominion Mortgage and Investments Association.

The problem of the eradication of rust was one in which every farmer in Western Canada was much interested. Either rust had to be conquered or the farmers, both of Manitoba and a goodly part of Saskatchewan, must go out of business so far as the growing of hard wheats was concerned.

Referring to the rust epidemic of a number of years ago, Prof. Craigie stated that the agriculturist was faced by an enemy of the "first magnitude and unless its ravages can be stayed we are doomed to successive and destructive invasion by it. In order, therefore, that we may plan an intelligent campaign against our enemy, we should know something of its history and character and methods of attack, and we should study the vulnerable and strategic points at which we can direct our counter-attack."

Tells Method of Contest

Prof. Craigie told his audience the life history of the organism and then turned his attention to the question of methods of control. It was known he said, that certain wheat species and varieties were highly resistant to rust but they were not, generally speaking, considerably desirable. He urged the breeding of resistant varieties of wheat which would be desirable from a commercial point of view, but stated that before doing it would be necessary to know what constituted adequate resistance.

Plant breeders were proceeding along two lines: to combine the resistance of such partially resistant common wheats as Marquillo, H-44-24, Kota and Kanred, and to combine this resistance with the equality by further crosses with that variety, and, secondly, to cross highly resistant varieties of durums and emmers with Marquis.

It is chiefly to the breeding of rust resisting varieties that the scientist

(Continued on page 12)

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Farmers of Failure-Stricken Area Organized to Succeed

CHANGED FARM PLAN

Whole Basis of Farming Was Altered to Meet New Conditions, and Now Prosperity is Rule

How one district in south western Manitoba that reached the valley of despair through successive crop failures brought itself back to prosperity, was told to the mortgage men by J. M. George, of Deloraine, Man. Mr. George is a local lawyer and publisher of two newspapers, the Deloraine Times and the Waacana News. Mr. George's address was a fine tribute to the value of mixed farming in insuring stability in agricultural revenues. Mr. George said:

"In the early days Southwestern Manitoba was often referred to as the 'Garden of Manitoba' and had a reputation the world over for growing wheat. Unfortunately, however, those prosperous conditions were not to continue forever, for from the years 1916 to 1923 the district experienced one crop failure after another, due principally to lack of moisture. The humus went out of the soil; the backbone out of the people. Weeds came in; the settlers were forced out. The land couldn't hold moisture, and the farmers and the business men couldn't hold up their finances. The soil drifted and so did the inhabitants. Farmers were beginning to lose faith in the district, and so were the loan companies and banks. Something had to be done, and what could have been better than an honest effort at self help.

Aid From Institutions

"It is reasonable to suppose that there is not a farmer in Western Canada to-day but who has profited, directly or indirectly, by the teachings and findings of our agricultural colleges and experimental farms. The work of these institutions is exceedingly efficient, but one has to face the fact that unless the farmer puts the results of his work into practical use on his farm, then this work is actually useless.

"In making a survey of our district we found farmers here and there, who in spite of adverse climatic conditions and the failure of their neighbors, were making good, due to the fact that they were endeavoring to adapt this system of agriculture to the conditions that prevailed. Some were changing from Marquis to Durum wheat; some were growing sweet clover successfully, while others were making a certain amount of progress at dairying, and the production of live stock.

Form District Builders

"A meeting was called of representatives of all the existing organizations in the district and a committee formed representative of all those organizations under the name of a 'District Builders Committee.' This committee conceived the idea that by bringing together the farmers of the district in conference and having the more or less successful farmers give evidence of the systems they were following that were proving profitable, a more diversified and profitable system of agriculture might be worked out for the whole district. The first week's conference was held in the spring of 1924 with an average daily attendance of about 300 farmers. The information secured at that conference had amazing effect and resulted in a great majority of farmers immediately adopting a system of agriculture that has since proven very profitable, for to-day Southwestern Manitoba, and particularly the Deloraine district, is one of the most, if not the most prosperous district in the West.

"At that conference it was firmly impressed upon the farmers that they must forever give up the idea that they could legislate themselves into prosperity, and that success could only be achieved by honest self help. These conferences have since become an annual affair and are as popular to-day as when first held.

Finer Community Spirit

"Not only has the District Builders' Conference been the means of stimulating the farmers to greater effort in their own behalf, but it has built up a better community spirit between town and country which is very essential to the success of any community.

"Furthermore, it has been the means of creating a more co-operative spirit between the farmer and the loan company and other financial institutions, on which he is dependent. I think you will agree with me that in the past there has been a lack of that co-operation. The farmer looked upon the loan company as a source of relief in times of financial distress, afterwards to be avoided as much as possible, whereas the loan company looked upon the farmer merely as a source of revenue without interesting itself whatever in his occupation or methods of farming. To-day, however, we find loan companies making a special study of agriculture and doing all they can to advise and assist the farmer in making his farming more profitable. The District Builders' Movement has helped to bring this about by giving the farmer and loan company representative an opportunity of getting together and working together for their mutual benefit. It is interesting to me to see the interest that loan companies are taking in agriculture to-day, and the valuable service they are rendering.

Lauds Marketing Tour

"We must realize that agriculture is the primary industry in Canada and that we are all dependent upon its success. Great strides are being made in the organization of the co-operative movement and more efficient marketing methods. This was materially assisted by the Canadian Farmers' Marketing Tour to the Old Country and Denmark last winter, organized by the Canadian National Railways. By this trip, farmers were given an opportunity to study the greatest world's market.

"But there is one fact we must not lose sight of and that is this; that the efficiency of our co-operative movement and market organization depends entirely upon the efficiency of the individual farmer; that is the chief aim and object of the District Builders Movement. Get the majority of the farmers of Canada to realize that their own success depends upon their own individual efforts and the success of Canada is assured.

"I was privileged to be a member of the party of farmers that visited the Old Country and Denmark last winter; that trip has been the means of stimulating the efforts in developing the District Builders Movement, for I realized as I never did before that the success of Denmark, that wonderful agricultural country, is based entirely on that same principle on which the district builders is based; the principle of self help. It meant the success of agriculture in Denmark, so why should it not mean success to agriculture in Canada. When Denmark in 1864 was faced with ruin and despair, a few men with the vision of possibilities of the future went out among farmers of that land preaching the gospel of self help, and encouraging the people with the result that waste lands never considered fit for agriculture have been reclaimed after 40 years of hard labor. Our problems are not nearly so great as were theirs; our lands are more fertile; and our area is more extensive.

"Then why should we be downhearted. With a little effort, a closer study of conditions, and more co-operation between the various interests we can compete successfully with Denmark, and enjoy the benefits of the great world markets to even a greater degree than she is to-day, and make Canada the brightest star in the crown of the great British Empire."

Change in Bell Telephone Company Directorate

H. B. THAYER — CHAS. P. COOPER

Announcement is made of the resignation of H. B. Thayer, a director of the Bell Telephone Company of Canada for the past fifteen years. He has been succeeded by Chas. P. Cooper, vice-president of the American Telephone and Telegraph Company, who has established a wide reputation as an operating executive.

Mortgage Men Hear Addresses on Problems of Western Farmers

A real attempt to get together with the Western farmer and find out his problems and particularly to find out how the financial institutions of the country could help him was made at the Regina meeting of the Dominion Mortgage and Investments Association.

The executives of Canada's big financial institutions who were present at the meeting listened to talks on the wheat pool, the fight against wheat rust, methods of harvesting, dairying, etc. Some of the addresses on agricultural subjects were as follows:

"Dairying in Western Canada," by J. A. Caulder, president of the National Dairy Council and president and general manager of the Saskatchewan Co-Operative Creameries.

"Bringing Back Southwestern Manitoba," by J. M. George, LL. B., D.C.L., lawyer and newspaper publisher of Deloraine, Manitoba.

"The Fight With Rust," by Prof. J. H. Craigie, of the rust research laboratory at Winnipeg.

"Economy in Crop Harvesting," by Prof. E. A. Hardy, U.S.A., agricultural engineer of the University of Saskatchewan.

"The Wheat Pools," by J. A. McPhail, president of the Saskatchewan Co-operative Wheat Producers.

Know Ye—

Government Again Issues Annual Notice on Ravages of Fire Menace

"Know ye that we . . . . . ."

Such is the Canada Gazette proclamation inaugurating Fire Prevention Week, October 7 to October 13.

The Proclamation points out that the average annual loss on insurable property by fire in Canada is $30,000,000 and that more than three hundred persons annually lose their lives as a result of fire. Of these fires at least 80 per cent. originate either direct or indirectly through inexcusable ignorance and neglect and are therefore preventable. Then folow the definite suggestions which are "recommended to all our loving subjects" as follows:

1. All dwellings and their surroundings be carefully inspected by their occupants and all conditions likely to cause or promote the spread of fires removed.

2. All public buildings, stores, warehouses and factories be inspected and cleaned of rubbish in order to reduce fire hazards and maintain health and safety.

3. All hotels, theatres, asylums, hospitals and other institutional buildings be inspected and provision made for all changes necessary to protect the occupants from danger in the event of fire.

4. Fire drills be held for the children in all schools, for the inmates of all institutions and for the employees in all large stores and factories in order that a greater degree of safety may be ensured by acquainting the occupants with the best expeditious mode of exit in time of danger.

5. Special instruction on the subject of fire prevention be given by the teachers and by municipal officials in the schools and that such appropriate literature as may be made available be distributed to the pupils.

6. Boy scout leaders give instructions to the troops under their control as to the best means of co-operating with municipal fire departments in the prevention and extinguishing of fires and especially as to the desirability of qualifying for the fireman's badge.

7. All legislation and regulations enacted or issued by Dominion, provincial or municipal authorities dealing with fire prevention be given publicity by the municipal officials and that by public meetings or otherwise as may to them seem most fit, they endeavor to impress upon the citizens the national importance of safeguarding life and property from loss by fire.

N. BAWLF GRAIN PRESENTS GOOD INITIAL REPORT

Net Earnings of $330,852 Are Shown — Working Capital Increases

From Our Own Correspondent

MONTREAL.—Operating profits of the N. Bawlf Grain Company amounted to $465,902 for the fiscal year ended July 31, 1928, according to the first annual report of the company mailed to shareholders.

As had been expected, in view of the excellent crop year covered, the report is a very satisfactory exhibit, showing substantial surplus earnings and a strong liquid position.

After setting aside $100,000 for depreciation and meeting the bond interest requirements on the outstanding bonds of the Bawlf Terminal Elevator Company, amounting to $35,050, there was left a balance of $330,852, subject to income tax and preferred dividend requirements. After taking care of these two latter items, the remaining balance amounted to approximately $3 a share on the outstanding 60,000 shares of no par value common stock.

Strong Financial Position

The balance sheet as at August 1, 1928, reveals a satisfactory financial position. Net current assets, or working capital, as shown in the report amount to $620,229, an increase of $167,820 by comparison with the position shown in the balance sheet as at March 31, 1928, after giving effect to recent financing.

Fixed assets, together with investments and memberships, are shown in the report at a total value of $3,131,048. Including working capital of $620,229, combined fixed and net current assets, therefore, amount to $3,751,277.

Against these assets the company itself has no funded debt, but its subsidiary, the Bawlf Terminal Elevator Company, has outstanding $55,000 of first mortgage bonds. After deducting the amount of Terminal bonds, there remain fixed and net current assets of $3,196,277, as against $2,000,000 of 6½ per cent. preferred stock and 60,000 common shares of no par value.

The operating surplus of the company on August 1, 1928, stood at $807,736.

In the report to the shareholders, the president calls attention to the fact that the country elevators and terminal plant are in first class condition for operation, and with an excellent crop assured in the Prairie Provinces, the company looks forward to a very profitable season in 1929-1930.

Favorable arrangements also have been made by the company for terminal accommodation at Vancouver through the Vancouver Terminal Company, and the Pacific Terminal Elevator Company. Similar arrangements have been made with a terminal at New Westminster. These arrangements with the company's own terminal at Port Arthur, assure ample facilities.

The common stock of N. Bawlf Grain has been in good demand during the past three or four weeks.

TROUBLESOME DAYS ARE NOW OVER IN MUNICIPAL FINANCE

(Continued from page 11)

ment to be applied on the longest dated coupon attached to any outstanding debenture.

"The Board has, however, been unable to make final recommendations as to the affairs of the Town inasmuch as negotiations are still pending as regards the Town's liability to the Bank. The proposed terms are:

"1. That the amount at the credit of the Sinking Fund ($8,000 approximately) be distributed pro rata to the holders of sinking fund debentures.

"2. That coupons in arrears be paid and that the net debenture debt as at 31st December, 1926, be refunded for a period of 40 years at 6 per cent. interest per annum by new debentures dated 31st December, 1926, repayable in 40 equal annual instalments of combined principal and interest commencing 31st December, 1927.

"3. That provision be made for the retirement of the new debentures in advance of due date out of any surplus either from the surplus of the Gas Department or from the General Account of the Town, by giving notice for the calling in of coupons, with the longest dated coupons to be retired first.

"4. That the liability to the Bank be provided for out of the general taxation and be a first charge upon any surplus in the general account.

"It would appear from correspondence with the Board that provision has been made for payment of debentures and coupons falling due up to the present time.

Works Out Well

"Carmanguay. The adjustment referred to in our last Annual Report appears to be working out satisfactorily.

"Chamberlain, S.D. No. 1513. This School District is meeting the payments called for under the readjustment which become effective on 1st December, 1926, which provided for the issue of refunding debentures bearing interest at 6 per cent. per annum payable in 16 annual instalments of combined principal and interest.

"Macleod. The payments called for by the re-adjustment of the affairs of this Town and School District made on 16th February, 1925, as set out in our Annual Report for the year 1926 are being met.

"Redcliff. This Town and School District are meeting the payments called for by the refunding debentures issued in accordance with the recommendation of the Board of Public Utility Commissioners, dated 4th February, 1926, as set out in our 1926 Annual Report.

"Taber. The payments called for by the refunding debentures issued in accordance with the Board's recommendation dated 10th June, 1926, are being met.

British Columbia Defaults

"Greenwood. It will be recalled that the affairs of the city were adjusted in 1921 by special act of the Legislature, being Chapter 54 of the 1921 Statutes of British Columbia. This act provided for the placing of the affairs of this city in the hands of a Trustee and for the payment of interest at 6 per cent. per annum. Provision was made for the distribution of surpluses annually by the Trustee on account of debenture principal.

"The Trustee reports difficulty in meeting payments called for and suggests temporary relief by way of acceptance by the debenture holders of interest at 3 per cent. for each of the years 1928 and 1929. This suggestion is presently receiving the consideration of the debenture holders.

"Port Coquitlam. Past due coupons of this city maturing up to and including the end of June, 1927, have been provided for and it is expected that those maturing up to the end of December, 1927, will be met in October next.

Manitoba Defaults

"Orders of the Winnipeg Suburban Municipal Board were ratified by the Legislature of the Province of Manitoba and have become Chapter 108 of the 1927 Statutes of Manitoba. Under the terms of this Chapter, Mr. John Appleton has acted in the capacity of supervisor for the year 1927 and the Debenture Holders Committee have now appointed Mr. W. C. McKinnell as supervisor, effective 1st of January, 1928. Mr. McKinnell acted as Deputy Supervisor during Mr. Appleton's term of office.

"The Union Trust Company, Limited, was appointed Trustee and has been engaged in the exchange of old debentures and coupons for the Consolidation Debentures, in accordance with the terms of this Legislation, details of which were set out in our report to the last Annual Meeting.

"The exchange is proceeding very satisfactorily as is shown by the following table, as at the 31st December, 1927, and advice received indicates that the majority of debentures which were then outstanding have now been sent in for exchange.

	Con. Debenture	Claims Outstanding
St. James	$3,630,300	$138,227
St. Vital	1,117,900	230,283
West Kildonan	1,072,000	38,203
Transcona	981,100	65,299

"The supervisor for the year 1927, Mr. John Appleton, reported to the Debenture Holders Committee at its meeting held March 15, 1928, that conditions had on the whole improved, and that the estimates for the year 1928 had been passed by the new supervisor, Mr. W. C. McKinnell, making provision in full for the debenture requirements and other expenditures. He reported that coupons for Consolidation Debentures for the years 1926 and 1927 (including 1st January, 1928) had been met upon presentation.

Cutting Assessment

"St. James. Actual cash receipts for the year 1927 were $611,000 compared with $645,000 in 1926. This decrease in collection was caused by a decrease in assessment of over $2,100,000. It is believed that this cut in assessment has had the effect of placing back and retaining on the tax rolls vacant properties which had become or would become the property of the municipality through tax sale proceedings, and that the benefit of this reduction in assessment will become apparent in future years. Expenditures total $580,000 which includes the sum of $203,000 for debenture interest and $110,000 for school operation. It will therefore be seen that the actual cash surplus was some $31,000. Expenditures for the year 1928 were set at approximately the same figure as last year with a tax rate of 53 mills.

"Considerable building is going on and local improvements are being carried out on a co-operative plan under which the ratepayers pay in cash approximately 75 per cent. of the improvements.

"St. Vital. Actual cash receipts from all sources were $276,800 in 1927. This compares with $261,000 in 1926. Expenditures totalled $250,000 in 1927, which amount includes $76,500 for debenture interest and $59,000 for school operation. It will therefore be seen that receipts exceeded expenditures by nearly $27,000. This increase was attributable to housing scheme, redemptions and tax sale real estate receipts. Estimated expenditures for the year 1928 have been set at approximately the same figure as those for 1927. Tax collections in St. Vital did not come up to expectations and it was therefore necessary to increase the tax rate which now stands at 57 mills.

"The municipality experienced a substantial building program in the years 1926 and 1927 and present indications are that the same will be experienced in 1928.

Authorize New School

"Transcona. Actual cash receipts from all sources in 1927 were $181,000 and expenditures were $180,000. This is approximately the same as for the year 1926. Expenditures quoted include $42,500 for debenture interest and $49,000 for school operation. The live assessment is $2,440,000, which with a tax rate of 59 mills is expected to enable the town to meet all its requirements including debenture interest during 1928, and leave a small surplus.

"During the year the Debenture Holders Committee authorized the building of a six room addition to the school at a cost not to exceed $40,000 fully equipped. The Provincial Government advanced this amount to Transcona and consolidation debentures bearing interest at 4 per cent. due in 1956 were issued to the Government for this purpose. This transaction was ratified at the 1928 session of the Manitoba Legislature.

"Generally speaking, the conditions in Transcona appear to have improved to a slight extent and it would appear that the ratepayers have renewed confidence in the future of the town. This is evidenced by their willingness to contribute in cash approximately 75 per cent. of the cost of cement sidewalks and of gravelling the roads.

"West Kildonan. Actual cash receipts from all sources totalled $271,400 in 1927 which is $68,000 in excess of collections for 1926. Expenditures for 1927 totalled $199,000, which includes $66,000 for debenture interest and $44,500 for school operation. Collections in 1927 were therefore $72,000 in excess of the requirements for the year. Receipts for 1927 were abnormal and cannot be counted upon to a similar extent for future years. This excess of receipts arose from the sale and redemption of tax sale property and collection of tax arrears connected with two or three large parcels of acreage. For the year 1928 the tax rate has been set at 54 mills on an assessment of $2,900,000 which, it was estimated, together with other receipts, would provide sufficient cash to meet all requirements of 1928 and leave considerable surplus.

New School District Defaults

"Rural School Districts. Numerous Rural School Districts have from time to time been reported in default and your Committee is considering ways and means of arranging for payment of such arrears and of preventing default in future. The following have during the past year been reported in default, and in some cases partial payment has been made or an extension has been granted by the debenture holders.

Calder	Marshall	Purple Bank
Eddystone	McMaster	Reedy Creek
Felsendorf	McMunn	Ripon
Glenella	Meath	Schanzenfeld
Goose Lake	Mellonville	Shevlin
Grangeview	Myrtle	Shellvale
Malonton	North Lake	St. Charles
	Sundown	

The Municipal and Public Utility Board created by Chapter 33 of the 1926 Statutes assented to on April 23rd, 1926, was formally made operative as at the first of January, 1928. Mr. W. R. Cottingham, K.C., former Legislative Counsel, was appointed chairman. The other members of the Board are Mr. Edgar Tarr, K.C., a prominent barrister of Winnipeg, and Mr. Mellish, vice-president of the Union of Municipalities and Reeve of the Municipality of Pipestone.

"The Board is very similar to the Board of Public Utility Commissioners in Alberta. Its duties, besides having to do with municipalities include the regulation of public utilities, sales of shares, etc. The Board has supervisory power over the Municipalities of St. James, St. Vital, West Kildonan and Transcona and in this respect the Legislature at its last session gave the Board power to make rules and regulations for the guidance of these municipalities and of the supervisor representing the Debenture Holders.

Quebec Has One Default

"Aylmer. In the month of August, 1927, a meeting of debenture holders was held in Montreal, at which the Mayor and Secretary of the town were present.

"It was brought out at this meeting that some debenture holders had been paid in preference to others and the Committee sought ways and means to equalize the claims of various holders whose coupons were then in arrears with those whose coupons had been given preference in payment. It was pointed out that under the Municipal Laws of the Province of Quebec, there was no way in which a majority of debenture holders could give effect to any arrangements as against the minority. It was feared that should an attempt be made to curtail future payments to those debenture holders who did not signify their willingness to co-operate, legal action might be taken with serious consequences to the town.

"The Committee, after giving this phase of the matter attention, was of the opinion that debenture holders be requested to assign payments due November, 1927, and May, 1928, to the Association for distribution to such holders on account of coupons longest overdue, until such time as the said holders had been placed on an equal footing.

"The affairs of the town were discussed at great length and it was agreed by the mayor and the secretary as follows:

"The town undertakes to place in a special trust fund for payment of debenture coupons, fifty per cent. of all the town's receipts other than those obtained from the Housing Scheme.

"The town undertakes to pay all coupons of its debentures other than Housing Debentures, as and when the same mature, and undertakes to pay the debenture coupons now past due on or before the first of November, 1928, and to apply the sum of $5,000 for this purpose on or before the first day of January, 1928.

"It is understood that the holders of debenture coupons, now past due, are entitled to accrued interest on the same from the due date to the date of payment at the rate borne by debentures of which the coupons form a part."

Assign Coupons

"The Town has up to the present carried out this arrangement and debenture holders have received payment of past due coupons including a portion of those due 1st of November, 1927, together with accrued interest to the date of payment.

"Over eighty per cent. of the debenture holders have assigned their coupons, as previously intimated, to the Association, and the Association has distributed these amounts on account of coupons longest overdue with the result that all debenture holders have been placed on an equal footing as at the 1st of November, 1927.

"Negotiations have been in progress between the town and the Provincial Authorities regarding the Housing Scheme but to date it has not been ascertained with what success.

"The Debenture Holders Committee have not considered the matter of an adjustment of a permanent nature because the records of the Town were in such bad shape that the Town found it necessary to employ the services of an accountant to straighten these out, and because the Municipal Laws in Quebec do not appear to make any provision for such a situation as arose in Aylmer; the Committee confined its efforts to the placing of debenture holders on an equal footing and to obtaining payment of arrears.

Saskatchewan Defaults

"The terms of payment called for under the adjustments arrived at in 1925 in the cases of Battleford, Humboldt, Scott and Sutherland have been met. Details of these adjustments were reported to the 1926 Annual Meeting of the Association.

"Canora. The affairs of this town are gradually getting back to normal and provision has been made for the payment of debentures and coupons maturing up to March 31, 1927.

"The city of Prince Albert, the town of Melville, and North Battleford Separate School District No. 16, are all meeting the payments called for in their various adjustments.

"North Battleford Public School District 1438. The agreement under which this School District operated expired in 1927 and it has not been found necessary to grant any further relief to the School District.

"Swift Current. The New Agreement entered into as reported to the 1927 Annual Meeting became effective the first of January, 1928, and debenture holders have been requested to forward certificates of indebtedness which they hold, together with all coupons and debentures which will mature on or before the 31st December, 1937, to the city treasurer for exchange into certificates of indebtedness under the terms of the new agreement.

"The supervisors report a surplus of some $11,000 during 1927. Of this surplus the sum of $8,000, together with some $12,000 previously in the sinking fund, has been set aside for the purchase, at a discount, of outstanding debentures of the city, and provision has been made in the 1928 estimates for an addition to the replacement fund of $12,000 and for $6,000 for capital purposes and one year's interest at 3 per cent.

"It would appear that conditions in Swift Current are gradually getting better and that on the whole there appears to be a measure of restored confidence.

Rural Telephone Companies

"Your committee had occasion during the year to give consideration to defaults on the part of a number of Rural Telephone Companies in Saskatchewan.

"The most serious is that of the North Forres Rural Telephone Company, whose unmatured debenture debt is $104,000, with past due payments of $35,000, which situation is receiving the attention of the committee.

FORESEE SUCCESS IN SCIENCE FIGHT ON RUST'S MENACE

(Continued from page 11)

looks for the ultimate solution of this problem, said Prof. Craigie, but any measure that will bring relief should not be overlooked. One of these is the treatment of wheat sulphur.

Fundamental Investigations

"The origin and constancy of physiologic forms of stem rust are considerations which are absolutely fundamental to the control of stem rust by planting breeding methods. Investigations dealing with these phases are being carried on. As far as we can work, existing physiologic forms are relatively fixed and constant. In one case, however, which we had under observation, a mutation in color occurred. There was a change from the normal color to a light orange color and that color has persisted now for upward of two years. This is the first instance of mutation among rust fungi and it opens up a possible means by which new forms of rust may arise. If a mutation arises in a respect to color, may not a mutation arise in respect to pathogenicity also?

"Certain work done at the laboratory showed that the developmental stage on the barberry involved a much reduced but very perfect sexual stage and therefore that hybridization of existing forms is possible on the barberry. This fact may at first sight appear to render futile the efforts of the plant breeders, for it might seem that as the plant breeder develops new resistant wheats, new forms of rust may arise which will attack them severely. But the case is not so hopeless altogether as that. It must be remembered that, while this discovery has just been made, the process of hybridization has been going on for an indefinite time, and it is possible that among the fifty odd forms of rust that we now know, we have all the possible forms which represent the maximum virulence attainable.

Discover Mature Plant Type

"At any rate, we should not permit theoretical possibilities to deter us from doing the sensible thing, that is pressing on to find out what the facts really are. Moreover, as an offset against this discovery another one has come to light which appears to be of inestimable value in advancing the practical solution of the rust problem, namely, 'mature-plant' resistance. It has been found that certain varieties, as H-44-24, Kota, an Acme, are quite susceptible to a given form of rust in their younger stages, but acquire resistance as they grow older, and about heading time become very highly resistant or immune to the same form of rust. It has been quite clearly demonstrated that this type of resistance is equally effective against all the different forms of rust, and, as it is dependent on a single main factor pair, is as easily transferred as any common character and is independent of such objectionable features as awns and persistence of glumes, etc. This discovery of mature-plant type of resistance has enormously simplified the plant breeding program and has allayed our fears to a great extent in regard to the possibility of new forms of rust arising and nullifying our efforts in plant breeding.

"Although we have been referring chiefly to wheat stem rust, the stem rust of oats is only less important in this respect, that oats are less extensively grown in Western Canada than is wheat. An investigation of this rust is being carried on at the Rust Research Laboratory.

"Mention should be made in closing of certain other cereal rusts. One of these which is looming up on the horizon as a potential menace is yellow stripe rust. It is the most destructive wheat rust in England, and does damage yearly in other parts of Europe. Within recent years, chance infections were found in Alberta. Last year and this year, a few infections occurred in Saskatchewan. Dr. Sanford, of the Dominion laboratory at Edmonton, tells me that traces of this rust can be found this year on wild barley throughout Alberta. It was also very prevalent on Vancouver Island. Whether or not the climatic conditions of the three prairie provinces will permit it to become a serious menace remains to be seen.

"Then we have crown rust of oats. Next to the stem rust this is the most destructive rust we have in Western Canada. Last year this rust assumed epidemic proportions and vied in its ravages with stem rust of oats. Together they destroyed fairly effectively much of the oat crop last year in Manitoba and Sasatchewan.

"Besides these we have each year the leaf rust of wheat. It is much less destructive in Western Canada than stem rust, but each year it extracts a considerable toll from our wheat crop. And finally we have two other rusts, the leaf rust of barley and the leaf rust of rye. As yet, these have not become significant factors in the production of barley and rye.

"In closing I should like to sound an optimistic note. The problem of controlling rust is one of staggering proportions and complexity, but progress is being made, and I feel confident that within a very limited number of years this menace, like many of those which have in former years afflicted the human race, will yield to well-directed and sustained scientific research."

LAND INSPECTORS TRAINED IN WORK AT SHORT COURSE

(Continued from page 11)

several subjects in order to attempt to convey to the inspectors in five days the cream of the instruction offered to their students over a whole term. This has been done with increasing success year by year. The time, therefore, given by the faculty is very much more than is apparent, and, of course, encroaches on time that would be devoted to other work, and indeed on leisure time as well.

"The university puts on short courses for many other interests during each winter; weed inspectors; municipal councils; fire insurance agents; life insurance agents; farmers associations, school trustees, livestock associations, etc., all of which are well attended and highly appreciated. A fee averaging $10 a head is made to cover costs in preparation and delivery and use of lecture rooms. The first year of our short course, 1925, was looked upon as an experiment and the university received nothing but the satisfaction of having initiated a movement of first rate importance to Western Canadian agriculture. The university does not make any charge, as such, for its services in this matter. Nevertheless, there are certain costs which must be covered from some source, and these have been estimated by the president at $1,000. This has been handsomely met by the sympathy and generosity of the Dominion Mortgage and Investment Association, and our thanks are due to the several gentlemen who have interested themselves in the matter of procuring a grant which is paid directly to the university. The main point is that the university does not actually profit by the grants received from this and other groups enjoying the benefits of short courses as there is still a considerable annual deficit that has to be covered by the Saskatchewan government. It has, however, to justify to the trustees the extra work assumed by its faculty and see that that extra work is appreciated at something like its worth.

Benefits Are Apparent

"The foregoing sketch of the formation of inspectors' associations in the west and their connection with the University of Saskatchewan through the short course, has been given to show that everything has been done "decently and in order," and that the latter is the natural and logical outcome of the former. It now remains to be shown what benefits, if any, have accrued to those who have attended these courses during the last four years, and what there may be to justify their continuance as an established annual event calling for the support of inspectors by their attendance, of the company managers in allowing and arranging work so that inspectors can attend without embarrassment, and the combined support financially of the Dominion Mortgage and Investment Association.

"When the existence of this short course became known we were approached by the Canada Colonization Association, The Canadian National Colonization Association, the Soldiers' Settlement Board, now the Department of Soldiers Civil Re-establishment, the land departments of the C. P. R. and C. N. R. companies, Mennonite Land Settlement Board, and several other parties interested in land but not connected with lending companies, asking to be allowed to attend. This request was readily granted and those attending shared in the necessary expenses along with the inspectors, although [illegible] they [illegible] common [illegible] exception [illegible] all the [illegible] cerns [illegible] strongest testimony [illegible] benefits [illegible] course [illegible] tically expressed.

Inspectors Like It

"We can confidently speak for [illegible] per cent. of the inspectors who were privileged to attend that they [illegible] value the instruction received and [illegible] forward to the course being offered with increasing benefit to [illegible] and [illegible] on Western Canada agriculture [illegible] tice.

"Several managers and Western supervisors of some of the large lending companies have honored the course by their attendance [illegible] as to its benefits [illegible] uable [illegible] to its [illegible]

"When the course [illegible] the inspectors [illegible] four associations [illegible] thing [illegible] edge [illegible] it more [illegible] exact, [illegible] abreast [illegible] and p[illegible] keen disappointment among [illegible] number of inspectors at Winnipeg [illegible] Edmonton who for various [illegible] were unable to attend [illegible] creased [illegible] of the course, but were glad to go as far [illegible] last three years. A few at Regina in similar case. The Winnipeg [illegible] have lately expressed [illegible] as so few of them [illegible] might as well withdraw their [illegible] and look elsewhere for instruction [illegible] much more [illegible] company managers can [illegible] view, and it is hoped that [illegible] come [illegible] the present [illegible] will be brought about.

Companies Give Support

"It might be brought to the attention [illegible] that all the large life [illegible] companies, a great many loan companies, and [illegible] conferences of [illegible] their head offices, sometimes [illegible] distances, and involving [illegible] expense in traveling and [illegible] all of which is borne by the companies at their [illegible] are conferences of those in [illegible] business [illegible] ance [illegible] tions, shipping and railway [illegible] and manufacturers [illegible] well as the Dominion Mortgage and Investment Association. [illegible] are maintained with [illegible] thusiasm year after year [illegible] doubtedly result to warrant the expense both of time and money involved.

"The short course is [illegible] speaking a conference. It is [illegible] the purpose of [illegible] the theory and practice of [illegible] in all its ramifications for the benefit of [illegible] medium of which the [illegible] panies benefit directly and the inspectors personally by becoming more efficient [illegible] more attached to [illegible] gether of inspectors is of great value promoting [illegible] perience [illegible] to the main object [illegible] Combined, the two objects [illegible] ings annually at Saskatoon [illegible] occasion [illegible] to those [illegible] will make [illegible] information [illegible] their companies and themselves.

"Looking forward—If the course is allowed to continue [illegible] can be counted upon to [illegible] tures to the results of research [illegible] plied to [illegible] Canada; such, for instance, as studies of soils, effects of climate on [illegible] crops suited for various kinds of soils under the differing conditions [illegible] to rainfall, etc., the eradication and control of weeds, conservation of moisture, prevention of soil drifting, are a few [illegible] of which [illegible] will undoubtedly [illegible] learn from these [illegible] years.

"We therefore respectfully submit this brief [illegible] for [illegible] consideration and hope that as a result you may find yourselves not only [illegible] continue [illegible] annual grant to the university, but recommend [illegible] desirability [illegible] word necessary [illegible] inspectors [illegible] larly year by year.

Motor Revenue Advances

New Brunswick. Motor vehicle license receipts for the first ten months of the fiscal year [illegible] according to the provincial Department of Public Works. This compares with $59[illegible] period last year. The figure is also greater by $31,319 than the receipts for the entire fiscal year of 1927.

The Cash Value of Mutuality

The value of the Mutual principle to the policyholder is demonstrated by the remarkable dividend record of the Mutual Life of Canada.

In addition to the excellent regular annual dividend allotted to Mutual Life policyholders in 1928, a special extra cash dividend of $700,000 was declared by the Directors. All Policyholders participating in the regular dividend for 1928 will receive their share of the special extra dividend.

Such liberal returns on Mutual policies have made Mutual Life Insurance increasingly popular this year.

The Mutual Life Assurance Co. of Canada

HEAD OFFICE — WATERLOO, ONT.

HUME CRONYN, President — W. H. SOMERVILLE, General Manager

WESTERN CANADA FLOUR EARNINGS SATISFACTORY

The Past Year Will Show Profits About Same As 1927

Western Canada Flour Mills Company a few days ago—August 31—concluded its most successful year since 1920. While not operating at capacity the entire year, the company's output over the twelve months has been satisfactory; and both domestic and export sales have been on a good basis.

Earnings of the company will show in the balance sheet to be little different from a year ago, when there was an increase of more than $60,000 over the previous year and a new high was set for the 8-year period. While final audit of the 1927-28 books will not be completed yet for some weeks, the monthly statements indicate fully as good earnings as last year; and after the usual adjustments, the final figure will be pretty close to $390,000.

For some twenty-four years, Western Canada Flour has been a regular and consistent dividend-payer; and earnings during all that period have been satisfactory, with a substantial surplus for shareholders even during the post-war price deflations. While earnings were considerably greater during the period that the world was occupied in getting back to work after the war, and subsequent price deflations and intensive competition affected profits, profits during past two decades have been consistently satisfactory, enabling dividends to be steadily maintained.

Hovis Health Products

One of the comparatively recent developments of the Western Canada Flour Mills has been the manufacture of special flour for the Hovis health bread and health products. This is made by special machinery, and is made solely in Canada by Western Canada Flour, which controls in large part the baking and distribution of this famous English product of health through the Dominion.

Earnings Record

Year	Earnings	Dividends	Surplus
1927	$388,797	$282,669	$713,325
1926	328,096	256,625	607,207
1925	319,032	230,000	582,981
1924	341,868	230,000	286,329
1923	309,141	230,000	234,121
1922	318,125	230,000	219,668
1921	325,970	222,500	202,103
1920	414,724	250,000	548,335
1919	437,986	250,000	712,865
1918	543,844	229,702	858,434

LIVESTOCK SALES CONTINUE LARGE

Receipts at Stock Yards Are Above Average for Some Time Past

From Our Own Correspondent

MONTREAL.—An insistent demand for feeders and stocker cattle with strong competition prevailing as between domestic and foreign buyers, was the feature of the August livestock market.

The outstanding performance was the movement of western cattle to Ontario farm points, which totalled 16,-000 head as against 9,000 for August of last year. There was also an even heavier movement of store cattle to United States points. Prices reacted in sympathy with the demand and sharply narrowed the range between butcher cattle and feeders.

Toronto sold over 7,700 fewer calves than during the same month last year, but almost offset this by billing through over 6,500 head more. Reduction of supplies was almost entirely due to shorter supplies of Ontario stock. The market was strong throughout despite the scarcity of good killing cattle, and withstood all attempts to reduce prices.

Montreal showed a comparatively steady market and any variations in price represented an index to changes in the quality of stock offered. Most of the cattle lacked in finish and type.

Western Markets Active

August offerings at Winnipeg stockyards were about 25,000 more than during July, totalling over 55,000 head of cattle and calves combined. While August deliveries were in advance of expectations and over half of stocker and feeder quality, there were less than 1,000 head of actually good butcher quality steers. Trading was very healthy and gained additional strength. There was another scramble for stockers and feeders and it seemed at times as if price was no hindrance to sales.

Close to 15,000 cattle were sold at the Calgary stockyards and despite the heavy offering, prices advanced strongly on butcher steers and held mostly steady on good quality heifers and cows. At mid-month, in between kinds was somewhat lower, but by the close prices regained their strength.

Edmonton sold well over 11,000 cattle, a liberal volume, with the bulk coming out toward mid-month. There was a good demand on the initial market and a slight upward trend was developed until the middle of the third week when increased receipts caused a dull market and a slight break in price.

The markets of Prince Albert, Moose Jaw, Saskatoon, showed considerable strength during the month. Trading was inactive until harvesting operations restricted receipts at the close of the month.

Bowen Utilities Stock Put on Western Market

From Our Own Correspondent

MONTREAL.—A new issue of $300,-000, 8 per cent. cumulative redeemable preferred stock of Bowen Utilities Corporation, Ltd., is being made in the West by the Bowen Utility Underwriters of Vancouver, at $100 a share, carrying a bonus of five shares of common with each preferred.

Bowen Utilities propose to build a line of wateroperated truckways, Grande Prairie, Alberta, to Smoky River, and also has various extensions in view. Further, the company proposes to build a railway line bordering along the highway and on which will be operated daily train service.

The company has undertaken to transport from 20,000,000 to 30,000,000 feet of lumber per year from Riverton. It is estimated that the present railway lines will cost, including locomotives, etc., a total of $279,840 and the income is estimated at $135,750 per year, while the estimated expenditures are placed at $81,600, leaving an estimated net profit of $54,150.

Upon completion of the present financing, the company will have an authorized issued capitalization of $300,000 of 8 per cent. cumulative preferred stock and 100,000 shares of common stock of no par value.

THE WINNIPEG MERCANTILE TRUST COMPANY
EXECUTOR, ADMINISTRATOR, TRUSTEE
A. P. Cameron, Manager
431 MAIN ST., WINNIPEG

Seek to Correct Evil in Policy Interpretation

By Staff Editor

REGINA.—The famous Cooper case which had the Toronto daily newspapers so upset last summer will not have its repetition in Canada if the insurance superintendents have their way. It will be recalled that in this instance the owner of a house left it vacant and boarded up and went away for the summer. A fire loss occurred and the insurance company, to have the inconsistencies in policy conditions brought to the attention of the law makers, formally contested the claim. In reality they paid the claim but allowed a purely legal reference to the courts to be made at their own expense.

The policy provided that the insurance remain in force so long as the house was used as a private dwelling and it was pointed out by the company that when the house was boarded up it was not in use as a private dwelling. Thus by a strict interpretation of the law the company was not called upon to meet the claim and the courts so ruled.

Discussing the matter at Regina the insurance superintendents decided to carry back to their respective lawmaking bodies the recommendation that the statutory conditions of fire insurance policies should be made to carry some clause that would provide that nothing in the description of the property on the face of the policy should act to defeat or void the effect of the statutory conditions. This, it was thought, would meet the anomalous situation uncovered by this instance which was brought to the attention of the insurance world in the case of Cooper vs. Toronto Casualty.

Companies Administer Assets of $2,270,000,000

Fifty-four of Canada's Biggest Loan, Trust and Insurance Corporations Comprise Association

Companies comprising the Dominion Mortgage and Investments Association have total assets of $2,270,-000,000 it was reported at the annual meeting of the association.

On the 3rd of March, 1916, when the association had its inception, the assets under administration by member companies were $528,421,108. It is gratifying to note that the total assets under administration as at the end of 1927 amount to $2,270,-191,238.

The following tabulation clearly illustrates the growth of the assets under administration by the association's members:

Year	Date	Loan Companies	Trust Companies	Insurance Companies	Total
1916	3 March	$120,616,547	$249,576,158	$158,228,403	$528,421,108
1917	31 December	133,652,821	302,392,306	237,293,406	673,338,533
1918	31 "	134,689,756	352,092,119	264,211,206	750,993,081
1919	31 "	196,680,397	493,062,516	314,759,488	1,004,502,401
1920	31 "	211,985,937	538,474,069	389,867,378	1,140,327,384
1922	31 "	257,600,428	671,981,434	527,314,572	1,456,896,434
1923	31 "	267,337,904	719,113,160	603,037,297	1,589,488,361
1924	31 "	282,285,144	742,903,916	715,800,520	1,740,990,580
1925	31 "	293,739,767	768,607,863	797,617,409	1,859,965,039
1926	31 "	298,638,046	811,137,856	906,513,424	2,016,289,328
1927	31 "	316,791,960	884,292,879	1,069,106,399	2,270,191,238

A list of the members of your association, together with the location of their head offices and the amount of assets under administration as at 31st December, 1927, as far as could be ascertained, follows:

Name of Corporation	Head Office	Assets
Loan Companies		
Associated Mortgage Investors	Rochester	$ 1,794,830
Canada Permanent Mortgage Corporation	Toronto	63,661,691
Canadian Mortgage Investment Co.	Toronto	1,673,093
Central Canada Loan and Savings Co.	Toronto	9,674,983
Credit Foncier Franco-Canadien	Montreal	52,185,400
Crown Savings and Loan Company	Petrolia	778,134
Eastern Canada Savings and Loan Co.	Halifax	3,122,639
Guelph and Ontario Investment and Savings Society	Guelph	4,898,577
Holland Canada Mortgage Corporation	Winnipeg	8,945,125
Huron and Erie Mortgage Corporation	London	42,013,578
Lambton Loan and Investment Co.	Sarnia	4,826,436
Landed Banking and Loan Company	Hamilton	4,343,209
Montreal City and District Savings Bank	Montreal	62,801,790
Mortgage Company of Canada	Winnipeg	5,790,680
Mortgage Corporation of Nova Scotia	Halifax	1,790,298
Netherlands Investment Company	Winnipeg	7,284,000
Ontario Loan and Debenture Co.	London	12,846,993
Provident Investment Company	Toronto	187,283
Real Estate Loan Co. of Canada, Ltd.	Toronto	1,625,432
Toronto Savings and Loan Co.	Peterboro	5,343,847
Trust and Loan Co. of Canada	Winnipeg	21,703,942
		$316,791,960
Trust Companies		
British Mortgage and Trust Co.	Stratford	$ 5,543,851
Canada Trust Company	London	20,575,207
Canada Permanent Trust Co.	Toronto	17,279,247
Capital Trust Corporation	Ottawa	10,802,254
National Trust Company	Toronto	181,383,867
Royal Trust Company	Montreal	406,588,056
Sterling Trust Company	Toronto	8,185,063
Toronto General Trusts Corporation	Toronto	169,812,863
Trusts and Guarantee Co.	Toronto	35,568,879
Union Trust Company	London	14,994,857
Victoria Trust and Savings Co.	Lindsay	6,590,511
Waterloo Trust and Savings Co.	Waterloo	7,567,587
		$884,292,879
Insurance Companies		
Canada Life Assurance Co.	Toronto	$140,580,677
Capital Life Assurance Co.	Ottawa	2,178,942
Confederation Life Association	Toronto	57,133,486
Continental Life Insurance Co.	Toronto	5,650,118
Crown Life Insurance Co.	Toronto	10,383,193
Dominion Life Assurance Co.	Waterloo	18,890,283
Dominion of Canada Guarantee & Accident Ins. Co.	Toronto	2,293,220
Excelsior Life Insurance Co.	Toronto	13,327,152
Globe Indemnity Company	Montreal	1,262,339
Great West Life Insurance Co.	Winnipeg	94,909,288
Imperial Life Assurance Co.	Toronto	45,242,681
London Life Insurance Co.	London	44,068,929
Manufacturers Life Insurance Co.	Toronto	76,483,181
Monarch Life Assurance Co.	Winnipeg	7,080,954
Mutual Life Assurance Co. of Canada	Waterloo	89,233,343
National Life Assurance Co.	Toronto	8,477,959
North American Life Assurance Co.	Toronto	35,608,067
Northern Life Assurance Company	London	6,288,065
Ontario Equitable Life and Accident Insurance Co.	Toronto	4,474,654
Sovereign Life Insurance Co.	Winnipeg	4,233,984
Sun Life Assurance Co. of Canada	Montreal	401,305,884
		$1,069,106,399

LIFE INSURANCE SALES HIGHER

Ordinary Life Sales for August 13% Over Same Month Last Year

A total of $43,503,000 of ordinary life insurance was purchased in Canada during the month of August. This represents a gain of 13 per cent. over sales last August. The fact that 73 per cent. of contributing companies share in the above gain indicates the extent of this prosperity, which is well distributed throughout the Dominion. These figures are furnished by the Life Insurance Sales Research Bureau and represent the experience of companies having in force 84 per cent. of the total legal reserve ordinary life insurance oustanding in the Dominion of Canada.

The monthly gain of 13 per cent. is shared by all provinces with the exception of Prince Edward Island. Substantial increases are recorded ranging from 1 per cent. in Quebec to 38 per cent. in Alberta. Newfoundland more than doubled last August's production record with a gain of 116 per cent.

For the first eight months of 1928, production shows a 15 per cent. gain over the 1927 record. All provinces share this increase showing substantial gains. Newfoundland gained 44 per cent. over the first eight months last year while Alberta gained 28 per cent. Manitoba and Saskatchewan increased 17 per cent. and 16 per cent. respectively. Sales in Canada have continued to increase each month of this year over 1927 records.

The record for the twelve months just ended represents an increase of 12 per cent. over the preceding twelve months. Gains for this period are noted in all the provinces except Nova Scotia whose sales just equal the production in the preceding twelve months. Alberta and Newfoundland lead with increases of 24 per cent. and 23 per cent. respectively while gains in the other provinces range from 6 per cent. in British Columbia and Saskatchewan to 15 per cent. in Manitoba.

All reporting cities show improved conditions for the month and year to date. Hamilton leads the monthly gains with an increase of 182 per cent. over last August. For the first eight months of this year, Hamilton also leads the reporting cities with a gain of 45 per cent.

Record Pilchard Catch

The west coast of Vancouver Island pilchard fishermen expect the largest catch this year that has ever been made. Up to the present time the catch is about 100 per cent. over that of last year, being, in mid-September, enough for 600,000 gallons of oil and 3,500 tons of fish meal.

Bruck Silk Mills Has Much Greater Profits

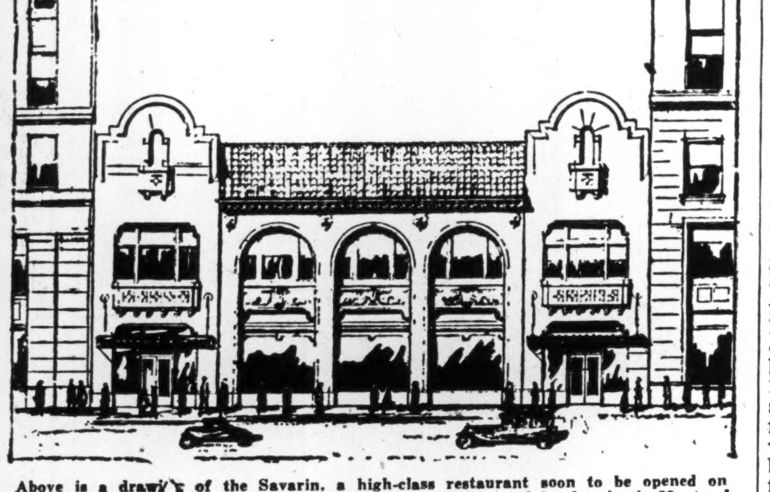
From Our Own Correspondent

MONTREAL.—The Bruck Silk Mills has been steadily operating 24 hours a day for some months; the net profits to date this year have been substantially in excess of the corresponding period of 1927. Earnings on the common stock last year amounted to $3.23 on the 25,000 shares of no par value stock outstanding. If business be maintained at its present level for the remainder of the year, profits in 1928 should amount to perhaps over the $5 a share mark. The stock is now changing hands at about $49 a share. It is listed on the Montreal Curb Market.

For the year to date the company's sales show a very good increase over those of the corresponding months of last year. This showing results from the benefits now being obtained by the company from the additions completed last year to the plant at Cowansville. This consisted of a new loading and dyeing department. While the first six months of the current year showed a satisfactory improvement, it is understood the prospects for the last half of the year are equally as good.

In 1927, Bruck Silk Mills had its additional equipment in operation for only the last five months of the fiscal period. This year it will obtain profits from a full twelve months operation in the enlarged plant.

New Restaurant is Architecturally Attractive



Above is a drawing of the Savarin, a high-class restaurant soon to be opened on Bay Street, Toronto, by Traymore, Ltd., which operates successful cafeterias in Montreal and Toronto. Another restaurant is soon to be opened in Oshawa, Ont. Shares of Traymore, Ltd., shortly will be listed on the Toronto stock exchange.

ELECTRIC OUTPUT SHOWS SEASONAL DECLINE IN JULY

Production Since 1923 Has Increased Over 125 Per Cent.

From Our Own Correspondent

MONTREAL.—Since 1923 the average number of kilowatt hours of electrical energy generated daily in Canada has increased by 129 per cent.; and, using the amount produced in 1923 as a basis, the yearly increase during the past five years has amounted to more than 25 per cent.

According to returns prepared by the Bureau of Statistics, production in July last was 1,243,179 thousands of kilowatt hours—the highest for that month ever recorded. This brings the total production for the year to date up to 8,936,366 thousands, as compared with 7,784,580 for the corresponding seven months period of 1927.

Production for July was made up of 1,288,224 thousands developed from water and 14,955 from fuel. While the latter output shows an increase over the preceding month, it is the second lowest recorded for any month in the past year. Power generated by hydro shows a seasonal increase.

Quebec in Lead

Returns from the five economic areas shows the July production to be distributed as follows (in thousands of kilowatt hours); Maritime provinces, 9,266; Quebec, 612,573; Ontario, 444,899; Prairie Provinces, 82,121; and British Columbia, 79,-365. The foregoing figures have to do with energy generated by water power. Power generated by fuel was as follows: Prairie Provinces, 11,699 and other provinces, 3,256.

In comparison with June, 1928, all the areas except Quebec, show a lower output of hydro energy. In comparison with July of last year, the Maritimes show an increase of nearly 100 per cent.; Quebec about 20 per cent.; Ontario, a nominal increase; Prairie Provinces, nearly 30 per cent.; and British Columbia, 6 per cent.

Exports of power from Canada in July amounted to 130,139 thousands of kilowatt hours. Cumulative figures for the first seven months of 1928 now stand at 897,418. This is a decrease as compared with the same period last year, when exports totalled 918,407.

Daily Output Less

An analysis of the daily output of electrical energy in July on a daily basis shows a decline from the previous month; in fact the lowest for the current year. This is only a seasonal decrease, however, as at this period of the year consumption is relatively low. In the more significant comparison with July, 1927, there is an increase in the daily output approximating 14 per cent.

The actual daily production in July last was 40,102, as compared with 41,131 in the preceding month, and with 35,621 in July, 1927. Naturally there was a corresponding decrease in the average daily output as recorded by the five economic areas. Moreover, the daily average of exports also show a falling off.

HUGE CORPORATION FORMED TO FINANCE SETTLEMENT EFFORT

(Continued from page 11)

Mortgage Association if a reasonable plan could be devised by which the loaning companies might individually and collectively, assist in this problem in a really big and statesmanlike manner.

Assisting New Settlers

The immediate impetus to this was given by an address delivered at the invitation of the executive at the annual meeting held in Montreal, by Mr. Herzer of Winnipeg, manager of the Canada Colonization Association. Following this, at a luncheon held in Toronto on April 1st, 1927, attended by about twenty officials of various loaning companies he submitted certain suggestions and questions in a memorandum headed "Financial Assistance for the New Settler on the Land." Following the suggestion made at that meeting Geo. H. Smith, our past president in conjunction with our secretary John Appleton appointed a committee to further study the proposal submitted, of which committee I have the honor to be the chairman. The other members of the committee are Messrs. R. B. Baker, S. E. Cork, R. Henderson, H. Roesler, L. R. Young, with Messrs. Geo. H. Smith, J. F. Weston and John Appleton members ex-officio. After considering the proposition submitted by Mr. Herzer, your committee decided to recommend, if possible, joint and co-operative action of interested loaning companies, and evolved a definite plan, which was unanimously adopted by the committee and sent in detail to all member companies of the Dominion Mortgage Association. The memorandum was entitled "Suggestions for a proposed financial corporation having as its object the giving of financial assistance to the new settler in acquiring land in the provinces of Manitoba, Saskatchewan and Alberta," and the introduction of this report reads as follows:

"Owing to the increasing number of desirable immigrants arriving in Canada from Europe at the present time and the promise of this movement continuing, provided the newcomers can be placed so that they will not only be contented with their lot but inspired with hope and confidence for the future, it becomes quite apparent that the colonizing of such newcomers on lands in Western Canada on a sound basis has become one of the most important problems facing Canada at the present time. As a result of the experience obtained by the Canadian Colonization Association during the past three years in colonizing about 2,000 families in the three prairie provinces on approximately 500,000 acres of land representing going farms where the owners had become financially involved, it appears very desirable to organize one corporation for the purpose of continuing the work of placing new settlers on equipped farms rather than that this work should be continued independently by various companies and individuals, as has been the case in connection with the 500,000 acres referred to. The following reasons indicate this:

"(1) The cost of management of the individual properties would be reduced, one inspector or manager being able to look after a number of properties in the same district.

"(2) Land suitable for colonizing could be blocked out in a given district and all of this belonging to various companies could be settled at the same time.

"(3) The cost of financing and also colonizing could be considerably reduced and a larger number of families colonized without a corresponding increase in the inspection staff.

"(4) While the percentage of failures is extremely low (less than 2 per cent. with Mennonite settlers) nevertheless some risk remains, and it could in this manner be distributed over a larger number of firms and individuals, rather than have the loss strike one in particular.

"The proposed corporation should function in a threefold manner in connection with the financing and colonizing of the following types of land in order of their importance:

"(1) Lands at present in the hands of loan, life, mortgage and trust companies operating in Western Canada.

"(2) Excess holdings of farmers in Western Canada, whether borrowers from these companies or not.

"(3) Land owned by absentee land owners, which is at present partially or totally unproductive.

"These three purposes of the proposed corporation should be discussed under separate headings and be kept distinct and apart."

Incorporate Company

After receiving a number of favorable replies and assurance of cooperation, your committee finally decided to proceed with the incorporation of the company, which took place in Toronto on Monday, August 20th. The application for charter was submitted to the Secretary of State at Ottawa, and the name chosen for the new organization is "Colonization Finance Corporation of Canada, Limited," with the head office at Toronto.

The letters patent have been issued, and as a sufficient number of member companies of the Dominion Mortgage Association have indicated their intention to become identified with the Colonization Finance Corporation of Canada Limited, the organization meeting will be held in the very near future when the officers of the corporation will be selected.

The corporation will naturally begin in a careful manner and all companies associated with the Dominion Mortgage Association will be given the opportunity to join. Thus we hope that through the Colonization Finance Corporation, the loaning companies, in addition to loaning money for the development of Western Canada on the security of mortgages, will become an important factor in the settlement of Western Canada.

Colonize Excess Holdings

The argument that many of the loaning companies have disposed of their lands, even in the so-called dry belt, to adjoining farmers is no argument for refusing to join the new corporation. In addition to the lands owned or controlled by loaning companies, this corporation will have a real duty to perform in assisting in the colonizing of the excess holdings of farmers, and unproductive land held speculatively in Western Canada.

Briefly, the principle which will be followed by the Colonization Finance Corporation of Canada, Ltd., is the principle of insurance. By equalizing the risk and adding sufficient premium to the appraised price of the land and the cost of equipment, we confidently expect not only to provide for losses, but also to show a reasonable profit. The assets of the organization will be divided into three classes and represented by three different securities: first, land will be accepted by the corporation at the appraised value of the land. Series "A" bonds will be issued to the company contributing the land for 100 per cent. of the appraised value fixed by the appraisal committee. Second, Series "B" bonds of the same rating as Series "A" bonds will be issued for the amount expended which it is estimated may average $7.00 per acre. The Series "B" bonds issued for equipment will be retired prior to Series "A" bonds. Third, a premium of 25 per cent. will be added to the appraised value of the land, as well as to the cost of equipment, and 15 per cent. to the cost of additional buildings which may be found necessary. For this premium, participating certificates will be issued in connection with each transaction, which will be redeemed at their face value, less such amount deducted for operating expenses and for the equalizing of losses.

Fifteen Years to Work

In fixing the selling price of farm lands at the appraised value plus 25 per cent. premium, we believe that we have not exceeded the settlers' ability to pay for this land, as we have proceeded on the basis that the value of the land is not any sentimental attachment the owner may have for it, nor is it always the claim of the loaning company against it, but is based on the productivity over 15 years after allowing for a reasonable standard of living. This does not mean a high standard of living with motor car and other luxuries, but a standard of living with sufficient clothing, food, warmth and shelter to keep the settler healthy. Any sane colonization policy must be based on the productive value of the land, after allowing for such a standard of living.

In order that funds required for the administration of the Colonization Finance Corporation may be assured during the early years of operation the Canadian Pacific Railway Company has agreed to advance up to $85,000 per annum for a period of five years on the security of "A" bonds up to the value of one and a half times the amount advanced from time to time.

Work With Association

A contract will be entered into between the Colonization Finance Corporation Ltd., and the Canada Colonization Association, by which the Canada Colonization Association agrees to colonize and supply the aftercare over a period of years for families colonized without expense to the Colonization Corporation, and the Colonization Corporation agrees to furnish the land plus the supervision and farm management until the new settlers are safely established on the land, and in this connection it is expected that the existing staffs of the loaning companies becoming identified with the Colonization Finance Corporation, will play an important part in the practical administration of the organization. It is hoped that so soon as the Financial Corporation becomes thoroughly established, it will also be possible to complete arrangements to co-operate with the Canadian National Railways.

Our whole plan of colonization is based on the experience obtained by the Canada Colonization in the last four years, during which time 2,804 families have been colonized on 667,-452 acres, the purchase price being $28,160,487.00.

The average price per acre for the equipped land colonized is approximately $42.00 per acre.

The nationalities represented on the lands colonized by the Canada Colonization Association are British, American, Mennonites from Russia, Belgian, Dutch, Norwegian, Swedish, Danish, German, Hungarian, and other nationalities.

The percentage of failures has been very small. Out of 2,800 families settled, they report the condition of their settlements as follows: In Alberta, 100 per cent. of the land colonized is still occupied; in Saskatchewan out of 500 families settled on 199,147 acres, less than half a dozen transactions have been cancelled; in Manitoba, where on account of floods, weeds and rust, conditions were not as favorable, more than 90 per cent of the farms colonized are still occupied. The percentage of replacements has been approximately 8 per cent. These were made without recourse of the courts. In fact, the Canada Colonization Association has not been involved in any legal action in getting rid of misfits or undesirable settlers.

Work of Association

One of the advantages of the colonization scheme of the Canada Colonization has been that they have kept the supply of land to be colonized equal to the supply of settlers, and colonized only such land for which they could find new settlers. During the present year, the association has colonized 460 families on 81,394 acres.

The outstanding examples of the colonization activities of the association during the last few years are the following:

(1) The so-called Bennett land colonized by the Schneider group of German farmers at Little Britain, Manitoba. This farm consists of 3,124 acres of more or less heavily timbered land, and it is really remarkable what this group of 25 families have done in bringing this land under cultivation. Over 2,000 acres have been cleared, and in addition, a dairy heard of over 100 head built up, the returns from which alone are sufficient to eventually pay for this farm. I would suggest to those members of this association who can take the time in Winnipeg, to stop over and view this farm, and they may revise their ideas of what a combination of "brain and brawn" can do with so-called submarginal lands in Western Canada.

(2) The Lambourn Farm at Herschel, and the Hyndman Farm at Superb, Saskatchewan. The latter farm has been made into twelve model farms at an expenditure for buildings and equipment of roughly $80,000.00. The crop returns for this year have fully justified this expenditure and will be in the neighborhood of $50,000.00.

(3) In Alberta the Blair Farm at Provost and Lane Farm at Namaka. This latter farm consists of 13,320 acres, and was colonized with 36 families at a purchase price of over a million dollars. The settlers paid last year $22,790.00 on account of interest and $41,449.00 on account of principal, a total of $64,239.00, in addition to repaying approximately $30,000.00 in advances.

1,000 Family Scheme

Your Committee also met in Toronto with Lord Lovat, Under Secretary of State of Dominion Affairs and chairman of the Overseas Settlement Committee, and Mr. Skevington, representative of the British Treasury, and subsequent to this meeting, a plan has been agreed upon whereby 1,000 British families can be settled in Western Canada through the medium of the Canada Colonization Association after having obtained farm experience, and having saved some capital in Eastern and Western Canada, and it is expected that the Colonization Finance Corporation through co-operation with the Canada Colonization Association, will take a leading part in the settlement of these 1,000 British families, which is an indication that we are on the right track.

No doubt it will prove of interest to learn that in connection with the 3,000 family scheme, where the Canadian government furnished the land and supervision and the British government furnished the money necessary for equipping the farms, the settlers being British only, Lord Lovat announced recently in Winnipeg that 90 per cent. of the British settlers were still in agricultural pursuits, and 75 per cent. were still occupying their original farms, a higher percentage than was anticipated.

Benefits of Immigration

Is this work really worth while, and is the time opportune for undertaking it on a large scale? Let us try to answer this question. Our country's growth and population, while considerable, is still less than it should be. In 1870 Canada's population was 3,372,000. Adding the natural rate of increase of 2¼ per cent. per annum to the total immigration since that date of roughly five million, we should have at this time sixteen million population, instead of less than ten million. In spite of immigration, our net gain in population has been small. One way to hold our population and increase it to a healthy degree is through a sound colonization policy. An immigration policy without a corresponding colonization policy is folly. As Lord Lovat has said, "Immigration problems are 90 per cent. colonization problems."

You may be interested in the following immigration figure for the fiscal year ending March 31st, 1928:

Immigration for that period totalled 151,597, as compared with 143,991 in the previous year—an increase of 5.28 per cent. Of this number from Great Britain there were 50,872, United States 25,007, other countries 75,718. Of the other countries there were German—12,032, Scandinavian 11,324, Ruthenians 10,-128, and Polish 6,733.

For the first four months of the present fiscal year (April, May, June, and July) the figures are as follows:

Total immigration 86,710, compared with 89,722 for the same period last year, a decrease of 3 per cent., distributed as follows: British 27,982, United States 12,387, German 7,014, Danish 2,030, Swedish 1,767, Norwegian 1,212, Finnish 1,439, Dutch 911, Belgian 722, French 342, Swiss 256, and other countries 30,748.

Entering Into Prosperity

Canada never had a better reason or a better time for inviting immigration. It is now generally recognized that Canada has entered into a period of prosperity which should continue for some time. The foundation for it will, of course, be our agricultural prosperity, plus the development of our mineral and forest wealth.

We are doing people a real favor in inviting them to come to our shores and sharing in our prosperity, as is shown from the following crop returns.

Canada's wheat crop for 1927 was 440,024,700, or an average of 19.5 bushels per acre. This year's crop should be considerably in excess. The area sown to wheat this year was 23,405,900 acres, an increase over 1927 of $45,746 acres or 4 per cent. Based on last year's average, this additional acreage should at least yield twenty million bushels more,—most probably considerably more. The acreage in wheat in the Prairie Provinces is 22,440,100 an increase over last year of 1,014,444.

Farm Returns Favorable

Our farm returns are favorable, particularly when compared with the United States. The average farm returns from Alberta in 1927 were $4,385.00 as compared with Montana of $2,514.00, Iowa $2,262.00, Minnesota $1,977.00 and Kansas $1,899.

Then too, farm values are rising, except in Manitoba. The average value of farm lands in 1927 in Alberta increased from $26.00 to $28.00, in Saskatchewan from $25.00 to $26.00, and in Manitoba decreased from $29.00 to $27.00.

In Manitoba we must face courageously the problem of drainage and weeds, if we wish to solve the problem of colonization. To give only one example, between 40 and 50 families colonized by the Canada Colonization Association have been seriously affected by floods. In one case 13 families in the Sperling district lost 2,000 acres of wheat by flood waters which came from another municipality, losing a crop valued at between $40,000.00 and $50,000.00. Only by working together can such problems be solved.

Value of New Settlers

Each additional settler on the land is a real asset to the country. It has been figured out by statisticians that the average family of five consumes goods valued at $1,583.00 per annum. The gross value of a settler to a transportation company per annum is $746.33, which represents the products hauled from and to his farm in Western Canada.

Notwithstanding everything that has been said to the contrary, the great majority of the new settlers brought into Canada are a real asset, many coming from the best farming stock in Europe. To give but a few examples: The 18,000 Mennonites brought to Canada in the last four or five years were in the main extensive land owners in Southern Russia, and had developed co-operative methods of production and marketing to a higher degree than any other people, with the exception of Danes. The first prize for the best all-round farm in the competition conducted by the Calgary Board of Trade in co-operation with the Department of Agriculture for the best conducted farm in Western Canada was awarded to Baron Csavossy of Cochrane, who emigrated from Hungary a few years ago; the second prize was won by Oscar Anderson, a Swede; the third prize went to Messrs. Wright and Bond who came from the United States; and the fourth prize to R. Ness, an Englishman.

Beatty Is In Favor

Your Committee has done considerable work, and during the past year has held numerous meetings. In addition, the chairman of the committee investigated many different phases of the problem at various conferences held at Montreal, Ottawa, Toronto, Winnipeg and Waterloo.

Accompanied by Messrs. Weston and Saunders, the chairman met Mr. Beatty and Colonel Dennis, and had the plan, accepted and recommended to the Executive Board of the Canadian Pacific Railway Company, who also endorsed it.

Mr. Beatty wrote the committee as follows:

"I did not comment upon the suggestions made by you until I could have an opportunity of explaining the situation to my Board. This I did yesterday.

As you know, I see many advantages in the form of organization which you propose to set up. In fact, it is the only concrete proposal which has been made in recent years which is likely to prove effective in the settlement of land held by loan companies, absentee owners, and so forth. The financial structure which is proposed is unobjectionable."

Your committee also had the constant and valuable co-operation of our secretary, John Appleton, of Mr. Herzer and the staff of the Canada Colonization Association, as well as of many of the loan managers and supervisors in Western Canada.

To conclude, I hope that many, or perhaps all, of the members of the Dominion Mortgage Association represented at this conference will see fit sooner or later, to become identified with the Colonization Finance Corporation of Canada, Limited. In this way the loaning interests of Canada may discharge their obligations to this country and take an active part in its development. Only by joint action can we hope to succeed, and through financial co-operation with proper management realize my firm conviction that this corporation can be made the largest and most successful colonization organization ever brought into being, not only in Western Canada, but on the North American continent. Colonization means increased wealth and closer settlements, which will react favorably on the municipalities, the provinces and the Dominion as well as the transportation companies, manufacturers and merchants, and will develop for the loaning companies a safer and larger field for the loaning of money, and aid in the stabilization of interest rates and give added security which the present system of farming, consisting largely of one crop produced by a sparse population, does not always permit. Your committee hopes that every member company of the Dominion Mortgage and Investments Association interested in Western Canada will, in their own interest, give full consideration to the merits of the Colonization Finance Corporation of Canada, as outlined in this report.

As chairman of the committee of the Land Settlement and Colonization, I take great pleasure in presenting this report for the consideration of the member companies of the Dominion Mortgage and Investments Association.

FORESEE ADVANCE IN DAIRY CATTLE THROUGHOUT WEST

(Continued from page 11)

were not fortunate enough to secure the gold and silver medals.

Good Farmers Maintain Herds

"I am glad to say that our good dairy farmers in this province have not decreased their herds. As a matter of fact we find a greater demand to-day for high grade dairy cattle than ever before because our dairy farmers are beginning to realise that it is better to have three good cows than ten poor ones. Cow testing associations are being organized all over the province. Our Provincial Dairy Branch, headed by our capable Dairy Commissioner, Mr. Percy E. Reed, is doing everything in its power to help out. Our Live Stock Branch are prepared to assist the worthy farmer in securing cattle on easy terms and on deferred payments with a low rate of interest. I am sure that our banks and mortgage companies are also very much interested in seeing these herds improved, and although we have had a setback I cannot but believe that the bottom has been reached and in the next ten years we will see a very decided development in dairying in the three prarie provinces. The prevalence of rust, the higher price now paid for land, and perhaps above all, the weed curse, will finally compel our farmers to diversify more and more each year. It has been proved that we can grow alfalfa and many other tame grasses without much difficulty. Sweet clover, once considered a weed, is now considered a very valuable pasture feed and there is no difficulty in growing it mostly anywhere in our province. I hope, therefore, that the companies which you men represent will do what they can to assist the willing and worthy farmer to increase and improve his herd even though at times by doing so the payment due on his mortgage may have to be carried along awhile because the final result will be that that man will be a better risk for your mortgage companies and our banks than if he remains with straight wheat growing. Every man in this province, regardless of his business, is very directly interested in the development of diversified farming, the basis of which is the dairy cow, the most profitable factory that has yet been discovered, and in the words of the Hon. Geo. Spence, Provincial Minister of Highways, uttered by him at one of the annual Saskatchewan Dairy Association conventions at Saskatoon some years ago, "God pity the cowless, sowless, henless farm."

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Free Insurance Cure Not Yet Achieved By Superintendents

Col. Kirkpatrick Suggests Limiting Validity Date

REFERRED AHEAD

Committee of Superintendents and Associations Will Report at 1929 Conference

By Staff Editor

REGINA.—While Canadian insurance companies, particularly casualty and fire insurance companies are much concerned about the "evil" of free insurance obtained by too long credits, followed by cancellation of policies and by the virtual rebating that is present in credits granted without payment of interest, they have not yet formulated systems of meeting the evil. Col. A. E. Kirkpatrick of the U. S. Fidelity in Toronto presented an address on the subject and was inclined to favor a system based upon Tennessee legislation which would consider non-payment of any policy after a fixed period, as rebating and punishable accordingly. But other insurance men were not so certain as to the real remedy for the credit evil and the free insurance evil, nor were the superintendents themselves, and it was finally decided to appoint a committee of the superintendents and representatives of the different insurance associations to discuss the matter during the coming year and make recommendations to the 1929 conference.

Col. Kirkpatrick in his address made the following survey of the situation:

"In the first place, competition is keener in the insurance business to-day than it ever has been. Second, the cost of operation of our offices has increased greatly. Third, the cost and consequent loss to the companies for every binder or every policy issued, and which is taken and returned as not wanted, is greater to-day than it ever has been. Just what the cost is, would be difficult for anyone to say, although many careful estimates have been made, but the most recent estimate shows that it actually costs to-day in the neighborhood of $3.50 to put an item through the books of the company, and this would place the cost of the complete operation of writing, delivering, returning and cancelling a policy as somewhere between $5 and $10 per item.

"Some of the large companies have informed me that as many as 50,000 flat cancellations go through their books in one year; even taking it at the minimum cost of $5 per item, the loss of the company in question would be $250,000, and, if you take the maximum it would be $500,000 a year, and that applied in proportion over the entire number of companies in the business shows a tremendous wastage, which must be—and can be—materially reduced.

Much Free Insurance

"An important authority has made the statement that probably the greatest single instance of waste in our line of business to-day is free insurance and the expense in the writing, recording efforts towards collection, the eventual cancellation and the reversal of original entries in all the accounting and statistical features of our business system, during all of which time the company is exposed to the hazard of the risk, frequently suffering losses, carrying with them the attendant expenses of adjustment.

"Many of us have read the efforts recently made in New York State by the companies, with the support of the Commissioner of New York, whereby they have established a bureau for the registration of all returned "not wanted" binders and policies. The course adopted there is probably suitable for the conditions which exist. From my study of the situation, I personally have come to the conclusion that a less drastic, a less costly, and a thoroughly practical plan can be evolved in each province, without the necessity of setting up expensive machinery—a plan, which, as soon as its practicability has been proven, should—and I think will—receive the hearty support of every manager and every agent in Canada.

Volume in New York

"It will be urged by some that the cost of operating the New York Bureau is not an expensive operation, and that, in proportion to the saving gained, the cost is negligible, but it must be remembered that in New York companies are handling vast volumes of business in a small, thickly populated and enormously wealthy area, and the conditions existing in Canada, with its small population and great distances, but the success of the New York system has been clearly demonstrated in that during 1927, flat cancellations amount to 22.4 per cent. of the volume, whereas in 1928, this has been reduced to 14.4 per cent.—a difference of 8 per cent.

30-Day Valid Date

"My suggestion is that every province should pass an amendment to its insurance act, requiring that all policies of insurance and all bonds of suretyship will automatically expire and cease, unless the premium is paid, or unless a note, bearing interest at 6 per cent. from the date of the policy, is in the hands of the company or its agent within 30 days from the date which the insurance binder, policy or bond, goes into effect—this ruling to be required to be printed in red, or stamped in red with a rubber stamp, on every binder, policy, application form or account for premium for every class of assurance, with the possible exception of Judicial Bonds given in the Surrogate Court proceedings, where application of such a rule would be manifestly an impossibility—and possibly an exception might be made in connection with construction contract bonds, although even in this latter, there is no good reason why an enactment should not be passed, requiring the payment of the premium, as, after all, if the contractor fails to pay his premium and provided the company notifies the owner—which the company and/or agent must be required to do—the insurance act could require and permit the owner to pay the unpaid premium on the bond and deduct same from the next estimate due the contractor.

"From our own experience, I might say that the credit evil or free insurance is practically non-existent in the contract bond business as we have found—and I think other managers will bear me out—that contractors are a class, willing and able to pay their bond premiums without delay and therefore, I think that surety bonds and judicial bonds should be excepted from the operations of the act.

Would Cure Evil

"I don't want to weary you with the story of the individuals who obtain their insurance gratis by taking and holding policies on approval for periods of from one to three months and then returning them with the explanation that the insurance was not ordered, or that they had decided not to accept it, while in the meantime they have been holding the policy of another company on approval. I believe that these cases in Canada are sufficiently rare as to be almost overlooked, but I am informed that they are not rare in the United States and that this was one of the most flagrant of the abuses which induced the New York Insurance Department to recognize the need for correction. Despite this condition which existed in New York, I am of the opinion that the cutting down of the valid date of the policy to 30 days would make the difficulty of obtaining free insurance so great as to be impossible of practical application.

"Why not let us give this system a trial before embarking on an expensive and detailed system, such as they have established in New York State, where every binder must bear the signature of the assured, or his agent, who thereby makes himself liable for the premium, and necessitates a vast amount of detail work in the tabulation and making of returns of not-wanted policies would be almost practically eliminated by the introduction of the legislation above suggested.

The Automobile Field

"If we turn to the automobile business, where it is found by almost all companies—on account of the frequent changes in ownership—it is necessary to issue new policies each year, why could not all our automobile policies be endorsed that the policy shall automatically remain in force for thirty days after expiry, so as to give the assured and the agent ample time to send in his request for new policies, and the companies could agree not to make out the renewal or new policies except on the written request from the assured or his agent.

"I will admit there are difficulties in the way of operating this system, because it would at once be observed that there is a possibility of the companies being placed in the position of giving 13 months' coverage for the 12 months' premium, but surely there could be no difficulty in the way of the legislation carrying penalties against any company, or company representative, who would descend to such a dishonest practice as falsifying the information contained in the application for the new policy, provided a transfer were being made from one company to another.

Canadian, American Officers May Join

By Staff Editor

It is likely that the 1929 conference of the Association of Insurance Superintendents of the provinces of Canada will be held in Toronto. It is also anticipated that the American superintendents will be meeting in Toronto at about the same time.

U.S. FIDELITY CHANGES CAPITAL

Company May Soon Enter Fire Field

An increase in the authorized capital stock of the United States Fidelity & Guaranty Co. from $10,000,000 to $25,000,000 and reduction of the par value of the stock from $50 a share to $10 a share has been recommended by the board of directors.

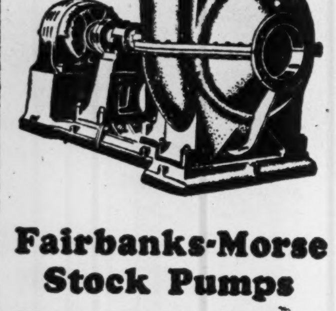
The board also voted to sell $2,500,000 additional stock, this being the balance of the present $10,000,000 authorized issue, to stockholders at $100 a share for the $50 shares, the proceeds to be divided equally between the capital and surplus. Action on the proposal will be taken at a special meeting of the stockholders on October 8. The board also declared the regular quarterly dividend of $2.25 a share and an extra $1, both payable October 1 to stockholders of record September 25.

When the capital increase becomes effective, the total resources of the company will be $70,000,000, making it the largest surety company in the world.

Plans for the formation of a fire insurance company with a capital stock of $2,000,000 and paid in surplus of $4,000,000 were also discussed by the directors, but according to President R. Howard Bland, nothing will be done in that direction until the right kind of a man can be secured to head the company.

The company writes all the important types of casualty insurance in Canada, and has also a Canadian subsidiary, the Fidelity Insurance Company of Canada.

In the service of industry



Fairbanks-Morse Stock Pumps

The new improved stock and trash pump, designed by Mr. A. B. Wood, in collaboration with Fairbanks-Morse engineers, will handle stock or sewage without clogging.

The two blade enclosed impeller in this pump is of an entirely new design and extremely simple. Mr. A. B. Wood, who designed the pump, is a recognized authority on the pumping of stock and sewage; Fairbanks-Morse & Co., have many years experience in building high grade pumps. This combination has produced a pump that is creating new records for stock pumping and sewage disposal.

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PROPOSE TO EASE RESERVE DEMANDS UPON LIFE GROUP

Provincially Licensed Companies Likely to Get Relief

By Staff Editor

REGINA. — General approval of the tendency to less rigid requirements in the reserves of provincially licensed life insurance companies was expressed at the insurance suprintendents conference when there was a discussion upon the recommendations of Frank Sanderson, actuarial adviser to the Ontario department of insurance, that provincially licensed companies should be permitted to add the American Men table to their older and stricter actuarial tables in calculating reserves, and that the so-called Illinois Standard should be considered reasonably safe for the protection of policyholders. These standards, if adopted, would enable young and growing companies to write more business in their early years. At the present time, the rigid deficiency requirements of the provincial laws restrict them from writing as much business as even sound management practice might permit, it was argued.

Presenting the recommendations, R. L. Foster pointed out that the provinces now lag behind the Dominion in their legislation regarding actuarial standards and suggested that the provinces go a step further in revising their legislation. This involved the permissive use of the American Men table and the repeal of present deficiency clauses and the substitution for the latter of a clause based upon the New York experience, which would merely restrict a company from writing any policy that did not, on the face of it, give evidence of being self-supporting.

J. W. Geddes of the Ontario Equitable, strongly urged the new proposed legislation, arguing that present laws did not conform to to-day's conditions. Leading representatives of Dominion licensed companies took a friendly part in the discussion and while their interests were not involved, they gave full support to the proposal to aid the smaller provincially licensed companies, V. R. Smith, actuary of the Confederation Life; C. C. Ferguson, general manager of the Great West Life; Ed. E. Reid, general manager of the London Life, and T. G. McConkey, general manager of the Canada Life, all speaking favorably to the proposal, which was also supported by William Smith, general manager of the Western Empire Life.

FORCED TO DEFER ACTION ON REBATES

Differences of Opinion Prevent Recommendation by Conference

By Staff Editor

REGINA.—There were many live questions discussed at the insurance conference upon which distinct differences of opinion arose, necessitating postponement of final decision to the 1929 conference. One of these was the subject of rebating of insurance premiums. The opinion was expressed by one of the superintendents that it was useless for the provinces to pass legislation on the subject so long as the criminal code contained a provision against rebating of insurance premiums. The point was that the criminal code made the informant in a case who would be the acceptor of a rebate, equally guilty with the maker of the rebate and this over a term of 15 years had effectively prevented the law from having any real force. Prosecutions could not be obtained for lack of evidence. Nevertheless, R. Leighton Foster wanted legislation against rebating put on the provincial statute books, and hoped that this would lead to a test case in the privy council to determine whether the Dominion or provincial legislation were paramount.

Insurance men present felt that it would be necessary to get a provision making the complainant and chief witness exempt from prosecution, but doubt was expressed by other speakers as to the possibility of getting this. It was decided to consider the question for another year and defer action until the 1929 meeting.

W. A. Dickson has recently been appointed as manager of the insurance department of A. R. McNicholl, Ltd., Winnipeg. Formerly Mr. Dickson was an agent for the British American Assurance. He has merged his business with that of A. R. McNicholl, Ltd.

Life Insurance Sales in Canada*

	1923	1924	1925	1926	1927	1928
January ...	$28,108,000	$30,673,000	$30,838,000	$33,907,000	$36,986,000	$47,569,000
February ..	25,409,000	30,704,000	28,698,000	34,744,000	35,525,000	39,962,000
March	28,142,000	34,383,000	35,001,000	40,483,000	42,883,000	44,823,000
April	29,966,000	32,603,000	35,872,000	37,346,000	41,631,000	46,718,000
May	29,762,000	33,368,000	34,377,000	37,703,000	44,553,000	49,581,000
June	31,865,000	34,295,000	42,307,000	44,634,000	45,298,000	51,844,000
July	31,539,000	33,205,000	37,671,000	40,101,000	39,962,000	49,492,000
August	31,065,000	27,983,000	31,724,000	36,010,000	38,360,000	43,503,000
September ,	25,979,000	30,029,000	33,543,000	34,878,000	35,000,000	....
October	33,470,000	32,483,000	36,259,000	40,226,000	48,104,000	....
November ..	34,165,000	34,357,000	36,760,000	44,251,000	44,935,000	....
December ..	37,377,000	37,120,000	41,822,000	46,777,000	48,899,000	....

Total, 1928, seven months $373,492,000
Total, 1927, seven months $325,198,000

Increase 15% $48,294,000

*Companies having in force 84 per cent. of total outstanding business in Canada. New, ordinary business only. Figures by Life Insurance Sales Research Bureau, Hartford, Connecticut.

INSURANCE MEN AGREE TO CONTROL AGENT LICENSES

Self-Government Adopted to Relieve Superintendents of Duty

By Staff Editor

REGINA. — Self-government in the licensing and control of agents has been virtually agreed upon by all interests in the life insurance business. Ontario already has a system in operation whereby a joint committee representing the Life Officers' Association, the Life Agency Officers' Association and the Life Underwriters' Association deal with the administration of the licensing of agents and thus reduce to the minimum the degree to which it is necessary for the superintendent of insurance to interfere for the purpose of purging the agency forces of undesirables.

After R. Leighton Foster, Ontario superintendent had read a report to the conference of superintendents of insurance on the licensing of life insurance agents and outlined the work of the joint committee, a long discussion took place in which many leading life insurance men representing companies and agents, endorsed the idea of action from within the business to prevent the licensing of undesirable agents. A. E. Fisher, superintendent of insurance of Saskatchewan, concluded the long discussion with the promise of adoption of a similar plan in his province within the very near future.

There was more controversy over a suggestion that all applications for agents' licenses should be viséed by the head office of the company before being issued by the insurance superintendent, but it seemed to be the general consensus of opinion that such a development was inevitable and in the interests of the life insurance business.

SOME OBJECTIONS TO LIMIT ON RISK

Casualty Companies' Spokesmen Objected to Ten Per Cent. Restriction

By Staff Editor

REGINA.—An echo of the Dominion Gresham failure was heard at the insurance superintendents conference when R. Leighton Foster, of Ontario, presented a recommendation that companies should be limited by law in the amount to which they might expose themselves in any one risk. A limit of 10 per cent. of capital and surplus, as at present prevailing in New York, was suggested for consideration.

V. Evan Gray, counsel for the casualty and automobile companies, objected to the Dominion Gresham failure being set down to the lack of such a law on the statute books. The Dominion Gresham manager, he said, wrote certain surety bonds in defiance of his distinct instructions from home office and in defiance as well of sound insurance practice. Legislation could not be more effective in stopping such practices, thought Mr. Gray. Even the well-known liquor bonds that hung over the head of the Dominion Gresham would not have been prevented by such a law, Mr. Gray contended, since the bonds were of small individual amounts, though in the aggregate, representing a large sum.

A. E. Kirkpatrick supported the limitation, stating it would prove no hardship to the companies and would protect the public. After some discussion Mr. Foster expressed himself as surprised that there should be any opposition to the proposed legislation. He had yet to come upon any insurance manager who would admit that he had on his books any policy larger than the ten per cent. However, he agreed to let the matter stand over for consideration during the year and for action in 1929.

Insurance Inklings

To C. A. Lauzon, Montreal, goes the honor of being the largest producer for the month of August for the Ontario Equitable Life and Accident Insurance Company.

J. E. Thompson, Calgary; H. J. Stone, Calgary; and B. J. Bott, Drumheller, recently joined the Canada Life and will work in the Southern Alberta field under H. D. Ferguson, manager.

Ernest Doucet, recently appointed district manager for the Canada Life Assurance Company at Three Rivers, Que., celebrated his appointment by writing $25,000 new business during his first week.

The Keith Stewart Agencies of Portage La Prairie, Man., have taken over the business of W. W. J. Tait, who has been appointed general agent for the Equitable Fire & Marine and now maintains his office in Winnipeg.

Those who addressed the dinner tendered by the insurance men of Saskatchewan to the insurance men present at the superintendents convention in Regina were Leighton McCarthy, K.C., president, Canada Life, Toronto; Hon. W. J. Patterson, provincial treasurer of the province; Col. W. R. Baker, insurance commissioner of Kansas; C. W. Hobbs, compensation counsellor of New York; V. Evan Gray, Counsel for the casualty and automobile companies; W. E. Baldwin, of the All-Canada Fire Insurance Federation, Montreal; T. F. Conrod, managing director of Saskatchewan Life, Regina; and R. Leighton Foster, insurance superintendent of Ontario.

W. D. King has been promoted to fill the vacancy caused by the resignation of T. P. Sheffield, formerly special agent for the Niagara Fire Insurance Co. at Winnipeg. Mr. King had been inspector for the company at Calgary, Alta.

H. W. Macdonnell, secretary of the industrial relations department of the Canadian Manufacturers' Association, and C. D. Adams of the executive office of T. Eaton Co., Toronto, Ont., recently addressed the members of the Canadian Manufacturers' Association on the subject of fire insurance at a luncheon at the Royal Alexander Hotel at Winnipeg.

H. K. Warren, representative of the Dominion Life Assurance Company, at Moose Jaw, Sask., has been successful in attaining membership in the company's Hilliard Club.

J. J. McSweeney, city manager of the London Life Insurance Company at Toronto Danforth, was appointed to carry the greetings of the L. U. A. C. at the National Convention of Life Underwriters, held in Detroit September 12-14. Mr. McSweeney was also empowered to extend the invitation of the Dominion Association to hold the next National Convention at Toronto.

O. Roy Palmer, formerly with the London Life Insurance Company at Belleville, Ont., has been transferred to Hamilton. C. H. Clow, of Kingston, succeeds Mr. Palmer at Belleville.

Wilfred E. Scott has been appointed assistant to A. M. Platt, local agent for the Sun Life Assurance Company in Prince Edward County, Ont. Mr. Platt was presented with the Macauley Club locket in recognition of having attained membership in that club.

W. R. C. Rowan was the leading producer of the Canada Life Assurance Company during the month of August.

A. M. Voige with the Canada Life at Cleveland has distinguished himself by making a "hole in one," and thereby steps into the golfers' hall of fame.

The Ontario Department of Insurance has prepared a folder which will be sent each life insurance agent with his license during the next ensuing license term. The folder outlines clearly the qualifications for license and renewal of license and points out the practices that will lead to revocation of, or refusal to renew a license.

Announcement has been made by J. Scofield Rowe, president of the Metropolitan Casualty Insurance Company of New York, of the appointment of Roger H. Hovey as manager of the Boston Branch Fidelity and Surety Department.

Ed. E. Reid, general manager of the London Life, is attending the Life Office Management Association in Chicago. Mr. Reid has been president of the association for the past year.

Some of the important insurance men present at the Regina meeting of the Provincial Insurance Superintendents' conference were: Lyman Lee, Canadian Fraternal Association, Hamilton; W. H. Somerville, Mutual Life, Waterloo; John B. Laidlaw, Norwich Union, Toronto; Leighton McCarthy and T. G. McCarthy, Canada Life, Toronto; V. Evan Gray, Canadian Casualty Underwriters Association, Montreal; W. B. Fairley, Empire Life, Toronto; Wilfrid M. Cox, British America and Western group, Toronto; T. F. Conrod, Saskatchewan Life, Regina; John A. Robertson, C. F. U. A., Toronto; Eric V. Chown, Life Underwriters Association; V. R. Smith, Confederation Life, Toronto; Hovey T. Freeman, New England Factory Mutuals, Providence, R. I.; George S. Young, same, Boston; J. F. Weston, Imperial Life, Toronto; John Appleton, Canadian Life Insurance Officers Association; A. E. Kirkpatrick, U. S. Fidelty and Guaranty Co., Toronto; L. C. Boyd, Commonwealth Life, Hamilton; W. E. D. Baldwin, all Canada Fire Insurance Federation, Montreal; A. E. Dawson, Toronto Casualty group, Toronto; C. C. Ferguson, Great West Life, Winnipeg; William Smith, Western Empire Life, Winnipeg; Henry E. North, Metropolitan Life, Ottawa; T. W. Binnie, Montreal.

In all, about 125 insurance men attended the conference. The provincial superintendents of insurance present were Henry Brace, Alberta; J. P. Dougherty, British Columbia; Charles Heath, Manitoba; R. Leighton Foster, Ontario; Arthur E. Fisher, Saskatchewan; H. G. Garrett, deputy, British Columbia.

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GENERAL INSURANCE COMPANY OF AMERICA
Total Assets — $5,516,000
Manager for Canada—Norman S. Jones, Hamilton, Ont.

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When you take an inventory of your fire protection, do you not, usually, find yourself underinsured?

What about your life insurance?

Are you carrying enough, so that your family can live comfortably on the proceeds wisely invested?

A life income policy answers the question. You can purchase one, giving your wife, say, $200 a month as long as she lives and relieving her of all the worry resulting from inexperience in investing.

Sun Life Assurance Company of Canada
Head Office: Montreal

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DEPARTMENT OF NATURAL RESOURCES

THOUGH perhaps not generally realized, mining in Canada stands second only to agriculture. Everywhere in the Dominion, from the Atlantic to the Pacific, new fields are being opened up by the itinerant prospector.

Nova Scotia's gold mining industry is in process of resuscitation; in New Brunswick a mining industry is being built up where formerly none existed. Quebec, Ontario, British Columbia and now Manitoba have an assured place in the mining firmament.

The tremendous importance of this growing nation-wide mining industry is recognized by the Canadian National Railways, who maintain a Department of Natural Resources for the purpose of assisting, as far as consistent, mineral and other developments along its lines.

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Between Montreal, Three Rivers, Quebec
From Montreal, Toronto, Hamilton to Port Arthur, Fort William
Between Montreal, Toronto, Hamilton, Windsor, Detroit

Current Events in Banking World

HOW TO MAKE SAVING ACCOUNT ASSET TO BANK

Business of One Institution Grows From Cultivation of Depositors

The customer's savings account and just how it can be made a valuable asset to a bank was the subject of an address by R. D. Mathias, vice-president of the Depositors State Bank, Chicago, at the session of the Financial Advertisers' Association held at Utica, N.Y., during the past week.

"The making of savings an asset concerns primarily the making of a savings account an asset to the depositor," stated Mr. Mathias in introducing his subject. Once this is accomplished it follows logically that the account will be an asset to the bank. If the average individual who opens an account were convinced that the account would be a real asset, the problem would be greatly simplified. Unfortunately, however, such is not the case and the task of the bank is to imbed firmly the conviction that this savings account is to be the means of accomplishing a specific goal. Mr. Mathias continued, in part:

"This imbedding process can only be brought about through intelligent advertising coupled with real selling effort, for the campaign which neglects to follow advertising with sales leaves the job only half done.

New Selling Plan Replacing Old

"For a long time, most of us have been of the impression that the mere sending out of a solicitor who, without rhyme or reason, exchanged our savings pass-books for a five dollar bill constituted 'selling the savings department.' That form of illogical and undirected effort is dying as sure a death. Many bankers will point to the growth of combined savings deposits in the United States, and inquire whether this record does not justify the present methods. Viewed alone, the figures are imposing, but compared with the growth in the sales of investment securities, they are far in arrears. And yet, during this period, a certain well-known semi-savings institution, operating almost exclusively with customers far removed from its home office have increased their resources from one million dollars to sixteen million dollars within ten years time. This remarkable growth has been due to the fact that the representatives of this company have a very definite plan to sell, and they have sold it well. Is it not true then that in our own trading area where we are well known, we have an advantage over this successful company which we are not utilizing?

Analysis As Basis of Plans

"Believing that you will agree that analysis and true selling effort are the correct approach to our problem, I want to tell you about an *analysis which we conducted and what it showed us.* By taking a map of our logical trading area and spotting on it the last one thousand savings accounts opened, we were able to tell conclusively which sections were most favorable to us, and likewise, which ones would furnish the most sales resistance. Taking one district at a time, we selected from a favorable district the names of 100 individuals who were not customers of our savings department. To this list of 100 we mailed four simple letters, at weekly intervals, dealing wholly with general institutional strong points. After these letters had been received, we sent a competent salesman to interview each of these prospects. No mention was made of a savings account, but by alternating the sales effort to include Budgets, Partial Payment Bonds and Insured Estate, we were able to secure some very helpful information.

"By preceding every campaign with such an analysis, we are able to estimate the chance we have to produce results. Would not the small unit test be practical for almost every campaign under consideration? It does not cost much, and it is obvious that it may save considerable money."

Increasing Small Balances

How to elevate the balances of small savings accounts already on the books was also dealt with. Referring to the extensive work that had been done in this field Mr. Mathias confined himself to his opinions on a few points:

"Careful selection of the list is necessary, as probably not over 40 per cent. of the small accounts on our books qualify as worthy of effort.

"A close check of expense and results should be maintained to prevent unit expense from exceeding unit profit.

"If an account does not show deposits or withdrawals at the end of six or eight mailings, no more money should be spent on it.

"All new accounts opening with less than $100 should be immediately added to the cultivation list, for they are 10 to 1 better prospects than the dormant ones.

"Form letters and syndicated series have proven just as successful for this work, as the pamphlets which we have produced ourselves. It is obvious that the former will be less expensive."

Savings An Asset to Other Departments

The last division of the paper dealt with making savings an asset to the other departments of the bank. In Mr. Mathias' institution, savings represent 65 per cent. of total deposits and therefore the savings depositors are the basis of any organized effort to build up other departments. The savings ledgers disclose who are buying securities and if the investments are not being bought through the bank a cultivation of this field is suggested. The increase of safety deposit box users is another profitable branch to develop. The Depositors State Bank carried on campaign to this end which Mr. Mathias described as follows:

"Probably the most successful campaign we have ever conducted was one to increase the number of safe deposit vault renters. Our savings manager was able to select from our savings ledgers those customers who owned real estate, and other forms of investments. These customers, as you know, are the most desirable prospects for safe deposit boxes.

"A short time ago, circumstances at the Depositors State Bank brought about a surplus of safe deposit boxes, and while new boxes were rented at a rate sufficient to compensate for cancellations, the surplus did not diminish. We decided to make our own customers the nucleus of a campaign to rent more boxes. Consequently we compiled (in addition to those mentioned from the savings department) a mailing list made up of the following:

1. Large checking account customers.
2. Bond and mortgage purchasers.
3. Local property owners, as reflected by those individuals who had paid their general taxes through our bank.
4. Customers who presented coupons to us for collection.
5. A selected list from our loans and discounts department.
6. Local business men and executives selected by our officers.

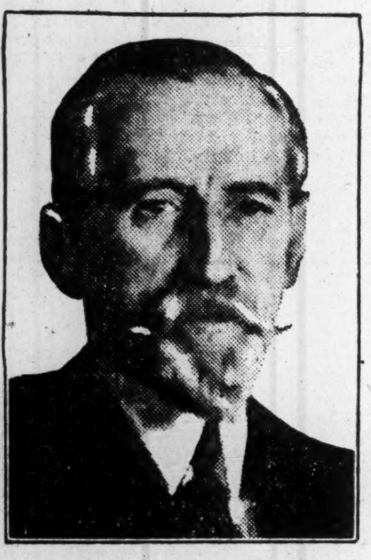
"Having a list of more or less logical prospects, we laid out a campaign which was to run over an eight weeks period, and included the following steps:

We merchandised our product by equipping the outside and inside of the bank to make it appear that for the time being we were primarily interested in renting safe deposit boxes.

Having aroused interest through advertising and crystalized that interest at the point of sale through merchandising, the most important step was the closing of the sale. This was accomplished by fully acquainting our employees and officers with what we were trying to do, urging them to make an attempt to sell a safe deposit box to every one with whom they came in contact. At the end of the eight weeks period, 550 new safe deposit box customers, and today, almost three years after, we have somewhat over 2,200 rented, proving conclusively that the sales, for the most part were made to individuals who needed safe deposit boxes. And the best part of all is that the first year's rentals paid all advertising costs and employees compensation.

"These are but a few examples of how the savings department can be a positive asset to the other departments in your bank. No doubt, you are using many other co-operative inter-department plans at the present time."

Here is New Pose



SIR FREDERICK WILLIAMS-TAYLOR
The general manager of the Bank of Montreal recently visited the photographer, and the result is shown here.

Bank Chat

F. G. Burr, for four years manager of the Fredericton branch, Bank of Nova Scotia, has been notified of transfer to Port Arthur, Ont., as manager. The transfer is a promotion, and goes into effect the last of September.

The Royal Bank have submitted plans for the construction of a branch building at the corner of Yonge St. and Deloraine Ave., Toronto, to be erected at a cost of $25,000.

A. C. Simpson, for the past 4½ years accountant of the Canadian Bank of Commerce at Minnedosa, Man., has been transferred to head office.

Bruce C. McBurney has been transferred from the Ingersoll, Ont., branch of the Bank of Montreal to the Windsor branch. E. N. McDermott succeeds him at Ingersoll.

The Imperial Bank of Canada will hold their annual meeting of shareholders on Wednesday, November 28. The Imperial is the first of the Canadian banks to meet in the current year and much interest is attached to the meeting.

J. C. Downing has been appointed manager of the Moose Jaw, Sask., branch of the Bank of Montreal. Mr. Downing commenced his banking career in Lucan, Ont., with the Merchants Bank, later being accountant in Moose Jaw, and subsequently manager of the Shaunavon branch.

With the amalgamation of the Bank of Montreal and the Merchants Bank, Mr. Downing became an inspector of branches, with headquarters at Regina, and he has held that position for the past seven years.

A. S. Maxwell, the former manager of the Bank of Montreal at Moose Jaw, has been transferred to Owen Sound, Ont., as manager. Mr. Maxwell came west from Ottawa, in 1905. He was employed by the Merchants Bank, and spent 15 years of his life in the service of that institution, in Alberta. Subsequently he was employed at the Saskatoon branch, and in April, 1923, was transferred to Moose Jaw, where he has occupied the position of manager since that time.

R. R. W. Lilly, accountant of the Haymarket Square branch of the Bank of Montreal at St. John, N.B., has been transferred to Bathurst, N.B.

The Royal Bank of Canada will erect a new building at Foremost, Alta. The contract has been awarded and work will commence at once. It is expected that the new building will be ready in about three months time.

W. Watkins, accountant at the Foremost, Alta., branch of the Royal Bank, has been transferred to the supervisor's department in Calgary.

Bank bandits continue to make their hauls at the expense of Canadian banks both large and small. The latest hold-up is that of the King City (Ont.) branch of the Bank of Montreal. Two unmasked robbers entered this branch on September 21 and forced the manager, M. S. Benson; his nine-year son Billy, and R. Linton, ledger-keeper, into the vault and made off with $3,075, mostly in bills of small denomination. Luckily the robbers missed valuable bonds and securities as well as $1,700 in cash in a tin box in the teller's cage. There were no customers in the bank at the time of the hold-up.

The description of the robbers reads: One man, 25 to 28 years of age, five feet seven or eight inches, fair complexion, clean-shaven, light grey suit and light cap. The other bandit was about the same age and height, clean-shaven, dark eyes, left eye with a cast, wore dark suit and cap.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities

	Sept. 22, 1927	Sept. 20, 1928
Halifax	$ 2,977,070	$ 3,414,502
St. John	2,486,270	2 656,375
Moncton	865,447	952,724
Quebec	6,830,691	8,059,661
Montreal	144,457,288	131,711,406
Sherbrooke	956,238	956,272
Ottawa	8,191,348	8,909,535
Kingston	1,109,270	....
Peterboro	876,288	1 004,657
Toronto	139,480,308	145,513,944
Hamilton	6,739,208	6,272,509
Brantford	1,286,775	1,356,324
London	3,238,177	3,411,141
Sarnia	744,982	771,876
Kitchener	1,204,585	1 396,931
Windsor	4,774,462	5,694,298
Chatham	729,876	729,876

Western Cities

	Sept. 22, 1927	Sept. 20, 1928
Winnipeg	$42,212,308	$ 56,785,371
Brandon	657,806	945,104
Moose Jaw	1,407,746	1,531,744
Saskatoon	2,267,022	2,954 501
Prince Albert	404,407	512,221
Calgary	6,936,292	11,763,765
Lethbridge	672,496	904,602
Edmonton	5,503,370	7,181,099
Medicine Hat	327,311	574,874
Vancouver	19,524,436	19,354,822
N. Westminster	829,712	837,063
Victoria	2,361,260	2,528,193
Fort William	1,059,771	1,253,938
Regina	4,918,875	7,062,852

Eastern Dairies Current Business Steadily Expanding

From Our Own Correspondent

MONTREAL.—Eastern Dairies, controlling Elmhurst Dairy and Standard Creamery Co., Acme Dairy, in Toronto, Producers Dairy, in Ottawa, and the Crescent Creamery, in Winnipeg, report excellent progress in all their subsidiaries. It is reported that earnings will be considerably increased this year. The new plant which has been installed in the Elmhurst Dairy is now in operation, and contains all the most modern equipment known in the dairy business.

The aggressive campaign conducted in Toronto has resulted in a large increase in sales there. It is said that the Waltham ice-cream freezing process introduced in Toronto this spring has been highly successful, and results in this competitive field have been quite satisfactory. In view of this, it would not be surprising if the Montreal field were invaded in the near future.

Elevator Nearing Completion

Recent progress on the construction of a 3,000,000 bushel annex to elevator No. 3 at Montreal, has been rapid, and is expected to be in operation by September 24. All steel and concrete work has been finished and there now remains the installation of machinery and a little sheeting on the working house and conveyor galleries.

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INVESTMENT BANKERS
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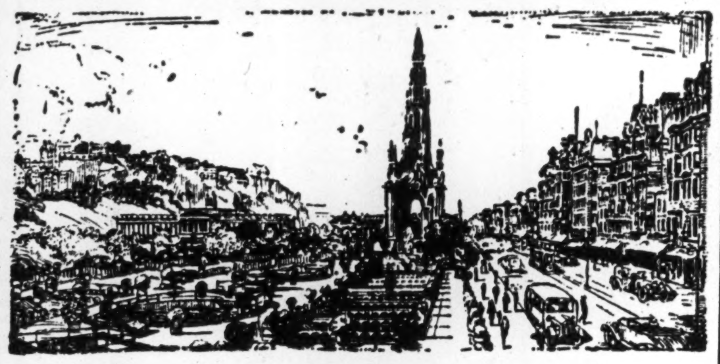

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"The most magnificent terrace in Europe," facing over the beautiful gardens of flowers to the castle and old town. Here are the monument to Sir Walter Scott, the Royal Institution and the National Gallery.

EDINBURGH—the home of—
JOHN COTTON'S TOBACCOS
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1 ounce tin, - -	25c
2 ounce tin, - -	50c
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Washed River Sand and Gravel
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New Issue

$1,500,000

Associated Breweries of Canada Limited

7% Cumulative Preferred Shares
(Par Value $100)

Preferred as to Capital and Dividends. Cumulative from October 1st, 1928. Dividends payable quarterly on the first days of January, April, July and October. Redeemable in whole or in part, at the option of the Company, at 110 plus accrued dividend to date of redemption. Non-voting, except in the event of eight quarterly dividends in the aggregate being in arrears in which case so long as any dividends shall be in arrears, the preferred shareholders shall have the right to elect a majority of the directors of the Company. A Sinking Fund is provided for to redeem $50,000 par value of these shares in any and every year subsequent to 1929, in which dividends are paid on the common stock.

TRANSFER AGENT: The Royal Trust Co., Montreal and Calgary
REGISTRAR: Bankers Trust Co., Montreal and Calgary.

CAPITALIZATION

	Authorized	Issued.
7% Cumulative Preferred Shares (This issue) ..	$1,500,000	$1,500,000
Common Shares (no par value)	400,000 shares	195,145 shares

From the letter addressed to us by Fritz Sick, Esq., President of Associated Breweries of Canada, Limited, we summarize:—

THE COMPANY:—Associated Breweries of Canada, Limited, incorporated 1928, controls through stock ownership the following Breweries in Western Canada:—
LETHBRIDGE BREWERIES, LIMITED..............Lethbridge, Alta.
NEW EDMONTON BREWERIES, LIMITED...........Edmonton, Alta.
REGINA BREWING COMPANY, LIMITED...........Regina, Sask.
PRINCE ALBERT BREWERIES, LIMITED...........Prince Albert, Sask.

The Breweries are of substantial construction and are equipped with modern machinery throughout, including necessary bottling plants, labelling and packing machinery, and have a total brewing capacity of 350,000 barrels per year.

The constituent Companies are well established in their respective territories and their products are favourably known throughout the Western Provinces. In addition to the manufacture of beer, ale and stout, ginger ale and other carbonated beverages are manufactured.

ASSETS:—Depreciated fixed assets of the constituent Companies, as appraised by the Canadian Appraisal Company Limited, amount to $2,193,561.13. Net current assets, after deducting all current liabilities and after giving effect to the present financing as certified by Messrs. Price, Waterhouse & Company, amount to $618,211.70. Total net assets, excluding the value which attaches to goodwill and other intangible items and after making due allowance for minority interests, will amount to approximately $3,254,076.71, equivalent to $217 per share of Preferred Stock outstanding.

EARNINGS:—Net earnings of the constituent Companies for the last two fiscal years completed during the year ending March 31st, 1928, after deducting all operating and maintenance expenses, taxes, proper depreciation and after setting aside proportion of earnings applicable to minority stock outstanding, have been as follows:—

	Earnings applicable to Preferred Stock	Earned per Share
1927	$441,913	$29.46
1928	379,468	25.30

the average being equivalent to 3.9 times the dividend on the Preferred shares now outstanding. After payment of the Preferred dividend on these shares earnings available for dividends on the Common Shares have averaged $1.57 per share.

Profits of all Companies subsequent to the close of their last fiscal year have been satisfactory and it is conservatively estimated that earnings for the year ending March 31st, 1929, will exceed $2.25 per share of Common stock outstanding.

Legal details in connection with formation of Associated Breweries of Canada, Limited, and with the issuance of its Preferred and Common Shares have been passed on by Messrs Johnstone, Ritchie & Huckvale, Lethbridge, for the Company, and Messrs. Brown, Montgomery & McMichael, Montreal, for the underwriters.

Price: $100 per share and accrued dividend to yield 7%
Carrying a bonus of 4-10 Share of Common Stock with each share of Preferred Stock
(Fractional shares of Common will be adjusted at the rate of $12 per share)

HANSON BROS.
INCORPORATED
Founded 1883

330 BAY STREET TORONTO ADELAIDE 5819
240 ST. JAMES STREET MONTREAL HARBOUR 9281
56 SPARKS STREET OTTAWA QUEEN 8123

The statements contained in this advertisement are not guaranteed by us, but are based upon information which we believe to be reliable and on which we acted in purchasing these shares.

DUTY TO PUBLIC BY ACCOUNTANT IS POINTED OUT

Convention is Reminded of Nature of Auditors' Certificates

The 26th annual convention of the Dominion Association of Chartered Accountants, held at Toronto, came to a close September 21 after a four-day session marked by many attractions of a business and social character.

The membership of the association now stands at 1,181, an increase of 135 over last year. This fact was brought to the attention of the members by the president, H. Percy Edwards, in his address. Mr. Edwards also spoke of the happy relations that exist between the Dominion Association and the American Institute. This good fellowship was further evidenced by the fact that the first day of the convention was set aside for the Canadian accountants to visit the American convention then being held in Buffalo. This visit was returned by the members of the American Institute who attended the annual banquet of the Dominion Association at which the Hon. Dr. Monteith, provincial treasurer for Ontario, was speaker.

They were also present at the Friday session which was featured by addresses by F. H. Hurdman, president of the American Institute and R. J. Dilworth, a past president of the Ontario Institute.

Duty to Investor

Mr. Dilworth addressed the session on the duties of the accountant to the ordinary investor. He pointed out that during the past few years there have been many public issues of stock of long-established businesses and that the investment banker underwriting the issue makes frequent use of the balance sheet and earnings statement of the company on his descriptive literature in order to bring home to the investor the position of the company.

These statements are certified by a chartered accountant and are an important factor in making the prospective investor regard the company favorably or otherwise. The accountant therefore has come to have a new responsibility—his responsibility to the investor.

"In the first place," stated Mr. Dilworth, "he must not let his name appear as auditor on any circular describing a new business which has not yet issued an annual statement; he should confine his name to those of established businesses only. Furthermore, on any circular that does carry his name, he must see that there is no misleading statement in any portion of it, and the part that he is certifying to should be presented in such a way as to give the investor a true picture."

Mr. Dilworth stressed three points as essential:

"First, the earnings statement and the balance sheet should bring the period covered within not more than three or four months of the date of issue. Secondly, the earnings certificate should cover a period of at least three years. Averages should be avoided. Thirdly, the earnings certificate should not be confined to showing the amounts available for dividends of bond interest, depreciation and income tax, but should show the provisions which should be made for these charges."

Most Bankers in Sympathy

Estimates of future business, profits, etc., are frequently required also, Mr. Dilworth pointed out. These, however, should not be shown under the accountant's certificate. They may be shown elsewhere in the circular but even then the accountant must satisfy himself that they are carefully prepared and sound.

"Fortunately," stated Mr. Dilworth," there are few investment houses which do not want to present the true picture. In any event, the thought to be kept in mind is: Is the picture not only true to the facts but is it drawn in such a way as to convey a true and readily understood story to the prospective investor?

The convention brought to a close the 1927-28 session of the association. G. F. Gyles of Vancouver, succeeds H. P. Edwards as president for the 1928-29 term, and H. H. Crowell of Halifax, becomes vice-president.

Arranged Convention

H. E. GUILFOYLE, C.A.
Mr. Guilfoyle was chairman of the committee on arrangements for the convention of the Dominion Association of Chartered Accountants, held in Toronto, September 18 to 21.

Convention Leader

H. P. EDWARDS, F.C.A.
Mr. Edwards presided at the annual convention of the Dominion Association of Chartered Accountants, held in Toronto, September 18 to 21.

HUNT'S LIMITED SALES INCREASED

Candy Chain Operators Show Big Gains Over 1927

Hunt's, Limited, which operates a chain of some twenty-three candy stores and tea rooms in Toronto and Hamilton, Ontario, reports record business for the past several months. Sales increased in August some 36.66 per cent. over last year; and the June and July increases over last year were 21.2 per cent. and 21.3 per cent. respectively.

The company will shortly open its twenty-fourth store, which will be located on Mount Pleasant Road, Toronto. All the stores in the chain are doing well, and there is some talk of an increased dividend to common shareholders in view of the substantial profits being earned this year.

Lumber Exports Increase

Exports of lumber from British Columbia for the first six months of 1928 show an increase of 8.6 per cent., represented by 30,000,000 feet of lumber, as compared with the first half year of 1927.

PERFECTION PETE IS LISTING STOCK

Earnings Satisfactory With Surplus for Common Stock

The capital stock of the Perfection Petroleum Co., Ltd., composed of 25,000 preferred shares, par $25 each, and 25,000 no par value common stock, will be listed shortly on the Toronto Stock Exchange.

Perfection Pete has been operating as a public company only since March 31 last, prior to that time being run as a private company. Earnings during the past six months are stated to have been satisfactory, and surplus available for common stock is stated to be at the rate of $3 a year.

The Gartshore-Thomson Co., Ltd., of Hamilton, Ont., is stated to be experiencing good business during the current year, and its plants are now operating at capacity.

BELD.-CORTICELLI CURRENT PROFITS SHOW INCREASE

Expect Report to Reveal Better Showing Than Last Year

From Our Own Correspondent

MONTREAL.—It is understood that Belding-Corticelli Ltd. has experienced a satisfactory year to date, and when the books are closed on the 30th of November next, the company should be able to show a good balance sheet to its shareholders.

Belding's profits depend largely on the domestic market for silk, and the fluctuation of the market in raw silk. Output consists mainly of yarns, threads, and ribbons of real silk and rayon, and more recently, silk hosiery.

Factories are situated at Montreal, St. Johns, and Coaticook, Que.; and branch warehouses are located in Toronto, Winnipeg and Vancouver. The company operates under an extremely strong management.

Dividends on the common stock have been increased steadily since 1924. In that year a dividend of 2 per cent. was declared, 4 per cent. was paid in 1925, and 6 per cent. has been paid for the last two years. Recent transactions in this stock have been in the neighborhood of 114.

Net earnings last year were $275,341, with net profits of $136,402, which included bond interest, depreciation, sinking fund and employees insurance. This meant earnings on the preferred of $15.76 per share, and $10.11 per share on the common stock.

S. C. P. Adds to System

From Our Own Correspondent

MONTREAL.—All legal formalities have been completed in connection with the taking over by the Southern Canada Power Company of a municipally owned sub-station and distribution system at Upton. This new acquisition adds 100 customers and about 70 street lights to Southern Canada Power's system.

German Power Corporation Bonds Offered in Canada

From Our Own Correspondent

MONTREAL.—An issue of $20,000,000 Rhine-Westphalia Electric Power Corporation 6 per cent. consolidated mortgage bonds, series of 1928, are offered to Canadian investors by the National City Company. These bonds are being offered simultaneously in the United States, England and other markets.

The Rhine-Westphalia Corporation, with its subsidiaries, comprises one of the largest electric light and power systems in Europe with respect to property value, earnings, capacity of power stations and number of customers. The territory served embraces a large part of the Rhine lands, including the Ruhr district, the most important industrial section of Germany.

Consolidated earnings of the corporation and certain of its wholly owned subsidiary companies, including only a portion of the earnings of the many other companies in which the corporation has a substantial and profitable interest, range from 24,266,224 to $26,965,563 in the fiscal year ended June 30, 1925 and 1927, respectively. After the reduction of operating expenses, maintenance and taxes, but before reserve for renewals and replacements, net earnings totalled $7,702,267 in 1925; $8,523,194 in 1926 and $9,973,479 in 1927.

The bonds are offered at 94 and interest to yield about 6.29 per cent. In addition, each $1,000 bond will carry a stock purchase right entitling the holder to purchase after January 1, 1929, and on or before August 1, 1931, four "American" shares, each share being issued against a deposit with the trustee's agent in Berlin, of 100 Reichsmarks ($23.81) par value of the common capital stock of the corporation. Application will be made to list these bonds on the New York Stock Exchange.

HARDING CARPETS WORKING 24-HR. DAY

Mass of Orders on Hand—Plant Now in Smooth Operation

Harding Carpets, Limited, whose first loom was placed in operation less than nine months ago, is now working a substantial batch of looms 24 hours a day, in an effort to overtake the rush of orders that have accumulated since the first samples from its looms were offered to the buying public. All departments are extremely busy, and the earnings outlook is of the best.

Perhaps the most remarkable part of this new company's performance is the overcoming in such a short time of the physical obstacles incidental to a new plant of this sort, and bringing the plant into 24-hour mass production in less than nine months time. It has been stated that sometimes as long as two years is required to fully tune up a plant of this size, and the excellent showing of the Harding management has resulted in much favorable comment.

Simultaneously with this operating achievement, has been the development of a strong sales and shipping organization. This has resulted in a continued flow in orders, which can now be promptly and profitably executed, since the plant is functioning smoothly in all departments.

Logically, chief attention has been focussed on the production end of the business, though the matter of profits has not in any way been slighted. While it is somewhat early to say what earnings will be, it is understood that a moderate profit will be shown this first year of partial operation and tuning-up, and there appears to be excellent prospects for a substantial profit in 1929, which is actually the first year of full operation.

OPENS HAMILTON OFFICE

The Canadian Acceptance Corporation have opened a branch office at Hamilton, Ont., in the Lister Building. Richard Dover, formerly of the Toronto staff, has been appointed manager of the new branch.

October Dividend Payments

Summary of Payments

Dividends	$29,936,601
Bond Interest	24,694,367
Total	$54,630,968

Dividend Payments

Industrials, Utilities, Etc.

Company	Rate	Date	Amount
Abitibi, com.	$1q	20	$1,007,347
Do., pref.	1½q	20	524,646
Do., pref.	1¾q	1	17,500
Alta. Pac. Grain, pfd.	1¾q	1	52,500
Amer. Salesbook, com.	$1q	1	40,830
Asbestos Corp., pref.	1¾q	15	130,487
Brading Brew.	50c.q	15	11,000
Barcelona Tr., pref.	1¾q	1	440,884
Belgo. Can. Paper, pref.	1¾q	1	87,500
Bell Telephone	2q	15	1,049,904
Brand.-Hend., pref.	1¾q	1	8,750
Brantford Cord., pfd.	2q	15	38,008
Brazil. Tr., pref.	1½q	1	109,186
Brit. Amer. Oil	25c.q	1	327,830
Building Prod., A & B.	30c.q	1	32,958
Do., pref.	1¾q	1	11,750
Burt, F. N., com.	75c.q	1	79,866
Do., pref.	1¾q	1	1,536
Brompton, com.	50c.q	15	150,000
Bissell, T. E., pfd.	1¾q	1	4,375
Blue Ribbon, c.	50c	1	15,000
B. C. Power "A"	50c	15	500,000
Can. Brew., com.	50c.q	16	50,000
Calgary Power	1¼q	1	23,750
Can. Bread, 1st pref.	1¾q	1	21,875
Do., 2nd pref.	1¾q	1	43,750
Can. Canners, 1st pref.	1½q	1	68,356
Do., 2nd pref.	15c.q	1	54,685
Can. Car, pref.	1¾q	10	131,250
Can. Fairbanks, p.	1½+3q†	15	67,500
Canada Gypsum	75c.q	1	56,995
Can. Cottons, com.	2q	4	54,310
Do., pref.	1½q	4	54,922
Can. Gen. Elec., pref.	1¾q	1	149,759
Can. Ind. Alcohol	38c.q	15	368,402
Can. Loco., pref.	1¾q	1	26,250
Can. Nor. Pr., pfd.	1¾q	15	87,500
Canadian Salt	2q	1	30,000
City Dairy, com.	50c.q	1	11,550
Do., pref.	1¾q	1	12,250
Consumers Gas	2½q	1	300,000
Canadian Oil, pref.	2q	1	40 000
Can. Paperboard, pfd.	1¾q	1	6,080
Can. Steamships, pfd.	1½q	1	225,000
Conduits, pref.	1¾q	1	4,375
Can. Pac. Rly., c.	2½q	1	6,500,000
Do., pref.	25c.	1	2,002,976
Can. Foundries, "A"	37½c.	15	14,400
Canada Dry	$1+50c.	15	6,844
Canada Biscuit, pfd.	1¾q	..	61,582
Dom. Engineering	75c.q	14	93,750
Dom. Stores	75c.q	1	68,062
Dome Mines	25c.q	20	250,000
Dom. Glass, com.	1¾q	1	74,375
Do., pref.	1¾q	1	45,500
Dom. Power, pref.	1¾q	15	95,375
Dom. Rubber, pref.	1¾q	1	52,500
Dom. Textile, com.	$1.25q	1	281,250
Do., pref.	1¾q	15	33,960
Dul. Sup. Tr., pfd.	$1q	1	15,000
Dunlop Tire, pfd.	1¾q	1	10,500
Distil.-Seagrams	25c.	15	62,500
East. St. Prod., pfd.	$1.75q	1	10,150
Fraser Co., c.	25c.q	1	92,437
Freiman. A. J., pfd.	1½q	1	15,000
Gilman Fanfold, c.	1½q	1	15,000
Do., pref.	1¾q	1	13,125
Goodyear Cot., pfd.	1¾q	1	8,312
Goodyear Tire, c.	$1.25+$1q	1	119,970
Do., pref.	1¾q	1	130,371
Gould Pumps, c.	2q	1	14,950
Do., pref.	1¾q	1	13,080
Gurd, Chas., com.	75c.q	1	22,500
Do., pref.	1¾q	1	8,750
Goderich Elevator	35c.q	1	29,401
Hayes Wheel, pfd.	1¾q	1	10,937
Hamilton Cot., pfd.	50c.q	1	10,000
Hillcrest Coll., com.	1½q	15	15,000
Do., pref.	1¾q	15	12,349
Hollinger Mines	1%	6	246,000
Holt Renfrew, c.	75c.q	1	7,500
Do., pref.	1¾q	1	17,500
Hinde-Dauch, c.	25c.q	1	74,983
Hunts, com.	25c.q	1	3,750
Do., pref.	1¾q	1	5,250
Humberstone Shoe, c.	*50c.q	15	5,000
Inter. Paper, pref.	1¾q	15	1,681,334
Inter. Utilities, "A"	87½c.q	15	114,842
Inter. Pr. 1st. pref.	1¾q	1	140,000
Jam. Public Ser., pfd.	$1.75q	1	13,125
King Ed. Hotel, c.	$1.50q	1	30,000
Laura Secord, pfd	1¾q	1	13,125
Laurentide Pr.	1¼q	15	131,250
McColl-Fron., pref.	$1.50q	15	112,500
Mackay, com.	1¾q	1	724,1[illegible]
Do., pref.	1q	1	500,000
Maple Leaf, pfd.	1¾q	18	51,27[illegible]
McKinnon Ind., pfd.	1¾q	1	17,17[illegible]
Maritime Tele., com.	2q	1	26,27[illegible]
Do., pref. "A"	1½q	1	8,146
Do., pref. "B"	1¾q	1	26 250
Mitchell, J. S., pfd.	1¾q	1	17,500
Montreal L. H. & Pr.	60q	31	1,225,102
Montreal Telegraph	2q	15	40,000
Montreal Trams.	2½q	15	150,000
Mt. Royal Hotel, pfd.	1½q	1	102,226
Nat. Grocers, 1st pfd.	2q	1	19,450
Nat. Breweries, c.	$1q	1	180,344
Do., pref.	1¾q	1	48,562
Nipissing Mines	1½q	20	90,000
N. Star Oil, pref.	1¾q	1	17,500
Northern Bakeries	50c.q	1	125,000
North. Mex. Pr., c.	1q	1	100 000
Do., pref.	1¾q	1	52,500
Nor. Ont. L. & Pr.	$1q	10	45,850
Orange Crush, "A"	1¾q	1	11,375
Do., "B"	50c.q	1	20,000
Ogilvie Mill., c.	$1.25+$15q*	1	1,218,750
Ott. L. Heat & Pr., c.	1½q	1	52,252
Do., pref.	1⅝q	1	24,375
Pacific Burt, c.	1½q	1	9,831
Do., pref.	1¾q	1	17,479
Price Bros., c.	1½q	1	213,416
Do., pref.	1⅝q	1	113 500
Premier Mining	6c.q	4	300,000
Porto Rico Rlys., pref.	1¾q	1	17,500
Page Hersey, c.	75c.q	1	95,841
Do., pref.	1¾q	1	37,915
Pressed Metals (new)	25c.q	15	30,000
Do., pref.	1¾q	1	5,590
Prov. Paper, pref.	1¾q	1	61,250
Postal Telegraph, pfd.	1¾q	1	543,117
Power Corp., 1st pfd.	1½q	15	75,000
Do., 2nd pref.	75c.q	15	37,500
Quebec Power	50c.q	16	251,375
Quinte & Tr. Val. Pr., p.	1¾q	1	6,125
Riverside Silk "A"	50c.q	1	15,000
Rogers, Wm. A., c.	1q	1	15,000
Do., pref	1¾q	1	19,649
Robinson Cone	37½c.q	1	18,748
St. Law. Paper, pfd.	1½q	15	142,500
Sarnia Bridge, "A"	50c.	1	6,000
Sher.-Williams, c.	1½q	1	60,000
Do., pref.	1¾q	1	60,112
Shaw. W. & Pr.	50c.q	10	670,854
So. Can. Power, pfd.	1¼q	15	73,576
Ser. Stn. Equip., "A"	40c.q	1	18 000
Stanfields	$1q	10	10,000
Shredded Wheat	75c.q	1	300,000
St. Maur. Val., pfd.	1¾q	1	175,000
Tip Top Tailors, pfd.	1¾q	1	26,250
Tooke Bros., pref.	1¾q	15	17,237
Traymore, c.	12½c.q	1	8,068
Do., pref.	1¾q	1	14,875
Trinidad Elec.	1¼q	10	14,550
Tuckett Tob., c.	1q	15	25,000
Do., pref.	1¾q	15	35,000
Twin City, pref.	$1.75q	1	52,500
Tamblyn, G., pref.	1¾q	1	12,250
Thayers, 1st pref.	88c.q	1	8,800
United Fuel, pfd.*	1½q	1	13,500
United Secs., pref.	1¼q	2	76,879
Viau Biscuit, 1st pfd.	1¾q	1	17,500
Wabasso Cotton	$1q	1	52,500
Western Grocers, pref.	1¾q	15	20,899
West Koot. Pr., pref.	1¾q	1	8,750
Winnipeg Elec. pfd.	1¾q	1	68,979
Woods Mfg., pref.	1¾q	1	27,063
			$28,086,018

*—Bonus.
†—On arrears.

Banks

Company	Rate	Date	Amount
Dominion	3q	1	180,000
Montreal C. & D.	$2.80q	3	52,043
Nova Scotia	4q	1	400,000
Standard	3	31	144,702
			$776,745

Loan Trust and Insurance

Company	Rate	Date	Amount
Canada Life	5q	1	50,000
Can. Permanent	3q	1	210,000
Can. Perm. Trust	1¼q	1	12,500
Central Can. Loan	3q	1	52,500
Chartered Trust	1½q	1	7,842
Crown Trust	1¾q	1	16,748
East. Can. Savings	2q	1	15,000
Eastern Trust	2q	1	20,000
Economic Invest.	2q	1	31,500
Guar. of N. Amer.	3q	15	9,138
Huron & Erie Mtg.	2q	1	100,000
Imperial Life	3¾q	1	31,875
Landed Banking	2½q	1	25,000
London & West. Trust	2q	2	10,000
Monarch Mortgage, pfd.	2q	15	20,000
Montreal Trust	4¼q	15	85,000
National Life	2½q	1	6,250
National Trust	3q	1	90,000
Ontario Loan	3q	1	52,500
Sun Life Assur.	6¼q	1	93,750
Toronto Gen. Trusts	3q	3	60,000
Toronto Mortgage	3q	1	21,735
Toronto Savings	3½q	1	35,000
Union Trust	1¾q	1	17,500
			$1,073,838

q—Quarterly.
s—Half-yearly.

Bond Interest Due in October

Company	Rate	Int. Date	Due	Amount
Amer. Salesbook	6	1	1939	$ 26,145
Arnolds	6	1	1947	39,000
Atlantic Sugar	5	1	1941	95,530
Algoma Steel	5	1	1962	384,157
Brand.-Henderson	6	1	1936	7,338
Bolivian Power "A"	8	1	1945	64,000
Booth Bldg.	6½	1	1937	24,375
Can. Steamships	6	1	1941	598,380
Can. Pac. Rly.	5	15	1934	300,000
Can. Paperboard	7	1	1937	39,550
Can. Cons. Felt.	6	1	1940	15,000
Can. West. Nat. Gas	5	15	1936	27,185
Carleton House	6½	1	1947	2,567
Can. Niagara Power	6	1	1932	149,400
Do. "C"	6	1	1932	45,000
City Gas of London	6	1	1947	6,750
Dom. Tug & Barge	7	1	1947	7,875
Dom. Pr. & Trans.	5	1	1932	133,050
Dom. Rubber	6	1	1946	78,000
Dryden Paper, (Lien notes)				
Do., deb. stock	6	1	1928	9,120
Devonshire Aprts.	6	1	1945	33,000
Dom. Canners	6½	1	Serial	14,625
East. Koot. Pr., "A"	6	1	1940	58,680
Do., "B"	7	1	1942	68,635
Fort Wm. Paper	7	1	1942	10,500
Goodyear Cotton	6	1	1931	45,000
Gould Pumps, "A"	6	1	1941	9,000
Ham. Cataract Pr.	6	1	1942	18,990
Hayes Wheel	5	1	1943	39,925
Ham. Elec. Light	6	1	1942	18,000
Ken. Manor Apts.	5	1	1929	12,600
Laidlaw Bale Tie	6	20	Serial	3,325
Lethbridge Brew.	7	2	1937	8,750
London Realty	7	1	1937	14,000
Manuf. Bldg.	6½	1	1941	24,375
Manitoba Paper	7	15	Serial	5,040
McKinnon Ind.	6½	1	Serial	130,000
Minn. & Ont. Pap. A	6½	1	1945	31,622
Mont. L. H. Cons.	6	1	Serial	480,000
Do., (Lachine)	5	1	1951	744,500
Mont. Tram. "A"	5	1	1933	70,100
Do., "B"	5	1	1955	445,662
Do., "B"	5	1	1955	62,500
Do., Debs.	5	1	Perp.	441,[illegible]
Milton Brick	6½	1	Serial	[illegible]
Murray Bay Pap	6½	1	1947	[illegible]
Nor. Ont. Bldg.	6½	1	1939	[illegible]
National Realty	7	1	1945	3,750
Ott. L. H. & Pr.	5	1	1957	[illegible]
Pachuca L. & Pr.	5	1	1967	[illegible]
Pacific Burt	6½	1	1937	[illegible]
Penn. W. & Pr., "A"	5½	1	1953	[illegible]
Quebec Power	6	1	1953	106,[illegible]
Rio De Janeiro	5	1	1958	[illegible]
Shawinigan "A"	4½	1	1967	787,500
Simpson, Ltd.	6½	1	1945	178,147
So. Can. Pr. "A"	5	1	1955	150,000
Sherbrooke St. Realty	8	1	1938	6,000
Tooke Bros.	7	1	1942	16,[illegible]
Timmins	6½	1	Serial	910
Victoriaville Furn.	6	1	1936	8,250
Winnipeg Elec.	6	1	1954	210,000
Do., ref. mtge.	5	2	....	100,500
Woods Mfg.	6	1	1943	86,250
Corporation Bonds				$7,419,812
Municipal Bonds				x4,062,500
Provincial Bonds				x3,199,030
War Loan	5	1	1931	1,332,250
Do., refunding	5	15	1928	1,335,000
Do., refunding	5	15	1942	2,675,000
Do., refunding	4½	15	1944	1,125,000
Pub. Service Loan	5	1	1931	625,000
C. P. Land Grant	2½	1	1947	61,161
Dom. Loan	4	1	1940-60	1,378,582
Total				$24,694,367

x—Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

Dividends Declared

	Rate	Date	Record
Pressed Metals, pref.	1¾%	Oct. 1	Sept. 11
Do., pref.	1¾%	Jan. 1, '29	Dec. 12
Durant Motors	10c.	Sept. 29	Sept. 15
Do.,	10c.	Dec. 31	Nov. 15
Traymore, com.	12½c.	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 1	Sept. 15
Can Oil, pref.	2%	Oct. 1	Sept. 20
Power Corp., 1st pfd.	1½%	Oct. 15	Sept. 29
Can. Nor. Pr., pfd.	1¾%	Oct. 15	Sept. 29
Robinson Cone	37½c	Oct. 1	Sept. 15
Can. Pac. Rly.	2½%	Oct. 1	Aug. 31
Do., pfd.	2%	Oct. 1	Aug. 31
St. M. V. Corp., pfd.	1¾%	Oct. 1	Sept. 15
Belgo-Can. Paper pfd.	1¾%	Oct. 1	Sept. 1
Canada Permanent, c.	3%	Oct. 1	Sept. 15
Inter. Nickel, c.	75c	Sept. 29	Sept. 10
Imperial Tob., pfd....	3%	Sept. 29	Sept. 7
Bank of Nova Scotia	4%	Oct. 1	Sept. 15
Bell Telephone, c.	2%	Oct. 15	Sept. 22
Dominion Bank	3%	Oct. 1	Sept. 20
Can. Cement, pfd.	1⅝%	Sept. 30	Aug. 31
Can. Gen. Elec., pfd.	1¾%	Oct. 1	Sept. 15
Landed Bkg.,	2½%	Oct. 1	Sept. 15
Ont. Loan & Deb.	3%	Oct. 1	Sept. 15
Brazilian, pref.	1½%	Oct. 1	Sept. 15
Porto Rico Rly., pfd.	1¾%	Oct. 1	Sept. 15
Wabasso Cot.	$1	Oct. 1	Sept. 14
Calgary Power	1¼%	Oct. 1	Sept. 15
Inter. Paper, pfd.	1¾%	Oct. 15	Sept. 20
Wpg. Electric, pfd.	1¾%	Oct. 1	Sept. 6
So. Can. Power, pfd.	1½%	Oct. 15	Sept. 20
Gurd, Chas., c.	75c.	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 1	Sept. 15
Nat. Breweries, c.	$1	Oct. 1	Sept.15
Do., pref.	1¾%	Oct. 1	Sept. 15
McKinnon Ind., pfd.	1¾%	Oct. 1	Sept. 15
National Trust	3%	Oct. 1	Sept. 20
Central Can. Loan	3%	Oct. 1	Sept. 15
Barcelona Tr., pfd.	1¾%	Oct. 1	Sept. 21
Toronto Mtge.	3%	Oct. 1	Sept. 15
Toronto Gen. Trusts	3%	Oct. 1	Sept. 17
Huron & Erie Mtge.	2%	Oct. 1	Sept. 15
Goodyear Tire, c.	$1.25+$1q	Oct. 1	Sept. 15
Do., pfd.	1¾%	Oct. 1	Sept. 15
Duluth Sup., pfd.	$1	Oct. 1	Sept. 14
Nat. Grocers, pfd.	2%	Oct. 1	Sept. 15
Can. Car, pfd.	1¾%	Oct. 10	Sept. 26
Alta. Pac. Grain, pf.	1¾%	Oct. 1	Sept. 15
Dom. Stores	75c.	Oct. 1	Sept. 15
Can. Steamships, pfd.	1½%	Oct. 1	Sept. 15
L. Secord, pref.	1¾%	Sept. 29	Sept. 15
B. Amer. Oil	25c.	Oct. 1	Sept. 14
Fraser Co's., c.	25c.	Oct. 1	Sept. 15
Dom. Textile, pfd.	1¾%	Oct. 15	Sept. 29
Conduit's, pfd.	1¾%	Oct. 1	Sept. 15
Jam. Pub. Ser., pfd.	$1.75	Oct. 1	Sept. 17
Premier Mines	5c.	Oct. 4	Sept. 14
Ham. U. Thea., pf.	1¾%	Sept. 29	Aug. 31
Can. Dredge, c.	50+25c.	Nov. 1	Oct. 16
Do., pref.	1¾%	Nov. 1	Oct. 16
Can. Wirebound Box "A" c.	37½c.	Oct. 1	Sept. 15
Can. Locomotive, pf.	1¾%	Oct. 1	Sept. 20
Freiman., A. J., pfd.	1½%	Oct. 1	Sept. 15
Dom. Glass, c.	1¾%	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 1	Sept. 15
Prov. Paper,, pfd.	1¾%	Oct. 1	Sept. 15
Bissell, T. E., pfd.	1¾%	Oct. 1	Sept. 15
Trinidad Elec.	1¼%	Oct. 10	....
Tip Top Tailors, pfd.	1¾%	Oct. 1	Sept. 15
F. N. Burt, c.	75c.	Oct. 1	Sept. 17
Do., pref.	1¾%	Oct. 1	Sept. 17
Nor. Mex. P. D.	1	Oct. 1	Sept. 24
Do., pref.	1¾%	Oct. 1	Sept. 24
Brant. Cord., p.	2%	Oct. 15	Sept. 20
Hinde & D., c.	25c.	Oct. 1	Sept. 15
Dome Mines	25c.	Oct. 20	Sept. 29
Nor. Bakeries	50c.	Oct. 1	Sept. 15
Consumers' Gas	2½%	Oct. 1	Sept. 15
Mackay, c.	1¾%	Oct. 1	Sept. 21
Do., pref.	1¾%	Oct. 1	Sept. 21
Hunts, c.	25c.	Oct. 1	Sept. 15
Do., pfd.	1¾%	Oct. 1	Sept. 15
Hollinger,	1%	Oct. 6	Sept. 19
Can. Gypsum,	75c.	Oct. 1	Sept. 15
N. Star Oil, pfd.	1¾%	Oct. 1	Sept. 15
Riverside Silk "A"	50c.	Oct. 1	Sept. 15
Can. Canners, 1st. p.	1½%	Oct. 1	Sept. 15
Do., 2nd pfd.	15c.	Oct. 1	Sept. 15
City Dairy, c.	50c.	Oct. 1	Sept. 15
Do., pfd.	1¾%	Oct. 1	Sept. 15
Pacific Burt, c.	1½%	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 1	Sept. 14
Amer. Salesbook, c.	$1	Oct. 1	Sept. 14
Rogers, W. A., c.	1%	Oct. 1	Sept. 14
Do., pref.	1¾%	Oct. 1	Sept. 14
Can. Bread, "A" pf.	1¾%	Oct. 1	Sept. 14
Do., "B" pfd.	1¾%	Oct. 1	Sept. 14
Service Stn. Eq., A	40c.	Oct. 1	Sept. 15
Blue Ribbon, c.	50c.	Oct. 1	Sept. 15
No., pref.	1⅝%	Nov. 1	Oct. 15
Ogilvie, com.	$1.25	Oct. 1	Sept. 21
Do., bonus	$15	Oct. 1	Sept. 21
Postal Tele., pfd.	1¾%	Oct. 1	Sept. 21
Gil. Fanfold, c.	1½%	Oct. 1	Sept. 17
Do., pfd.	1¾%	Oct. 1	Sept. 17
Abitibi, pref.	1¾%	Oct. 1	Sept. 30
East. Steel, pref.	$1.75	Oct. 1	Sept. 15
Hayes Wheel, pfd.	1¾%	Oct. 1	Sept. 20
Can. Salt	2%	Oct. 1	Sept. 22
Viau Biscuit, pfd.	1¾%	Oct. 1	Sept. 22
Dom. Rubber, pfd.	1¾%	Sept. 30	Sept. 21
Montreal Tele.	2%	Oct. 15	Sept. 29
Gould, Pumps, c.	2%	Oct. 1	Sept. 20
Do., pref.	1¾%	Oct. 1	Sept. 20
Ott. L. H. & Pr., c.	1½%	Sept. 30	Sept. 15
Do., pref.	1⅝%	Oct. 1	Sept. 15
Price Bros., c.	½%	Oct. 1	Sept. 15
Do., pref.	1⅝%	Oct. 1	Sept. 15
Sher.-Williams, c.	1½%	Sept. 30	Sept. 15
Do., pref.	1¾%	Sept. 30	Sept. 15
Dom. Textile, c.	$1.25	Oct. 1	Sept. 15
West. Koot. Pr., pfd.	1¾%	Oct. 1	Sept. 15
Twin City, pref.	$1.75	Oct. 1	Sept. 24
United Fuel, pfd.	1½%	Oct. 1	Sept. 12
Ham. Cottons, pfd.	50c.	Oct. 1	Sept. 15
Canada Dry	$1+50c.	Oct. 15	Oct. 1
B. C. Power "A"	50c.	Oct. 15	Sept. 30
Goderich Elevator	35c.	Oct. 1	Sept. 15
Econ. Invest. Trust	$1	Sept. 30	Sept. 22
Nipissing	1½%	Oct. 20	Sept. 29
Bldg. Products, 'A' & 'B'	30c.	Oct. 1	Sept. 24
Orange Crush "A"	1¾%	Oct. 1	Sept. 21
Do., "B"	50c.	Oct. 1	Sept. 21
Pressed Metals, (new)	25c.	Oct. 15	Oct. 1
Shred. Wheat	75c.	Oct. 1	Sept. 30
Distillers-Seag.	25c.	Oct. 15	Sept. 30
Tamblyns, pref.	1¾%	Oct. 1	Sept. 22
Brading Brew., c.	50c.	Oct. 15	....
West. Grocers, pref.	1¾%	Oct. 15	Sept. 30
Inter. Utilities "A"	87½c.	Oct. 15	Oct. 1
King Ed. Hotel	$1.50	Oct. 1	Sept. 15
Mtl. L. H. & Pr.	60c.	Oct. 31	Sept. 30
Granby Cons.	$1	Nov. 1	Oct. 11
Page Hersey, c.	75c.	Oct. 1	Sept. 21
Do., pref.	1¾%	Oct. 1	Sept. 21
Can. Brew.	50c.	Oct. 16	Sept. 29
Can. Ind. Alcohol	38c.	Oct. 15	Sept. 29
Brompton, c.	50c.	Oct. 15	Sept. 30
Imperial Bank	3+1%	Nov. 1	Oct. 16

NEW ISSUE

$7,500,000

GATINEAU POWER COMPANY

6% Gold Debentures

Series "B"

To be Dated October 1, 1928 — To Mature April 1, 1941

Interest payable April 1st and October 1st in New York and Boston in United States gold coin and in Montreal and Toronto in Canadian gold coin, without deduction for any United States Federal Income Tax not exceeding 2% which the Company may lawfully pay at the source. Redeemable at any time at the option of the Company in whole or in part on thirty days' published notice at 105 up to and including April 1, 1931, and thereafter at ½% less each succeeding year, plus accrued interest in all cases. Coupon Debentures of denominations of $1,000 and $500, registerable as to principal only, interchangeable in like principal amounts. Montreal Trust Company, Trustee.

The following information is summarized by Mr. A. R. Graustein, President of the Company.

Company: Gatineau Power Company, one of the largest hydro-electric producers on the North American continent, is now finishing, within cost and time estimates, the construction of three hydro-electric developments of an installed capacity of 419,500 h.p., all situated on the Gatineau River within thirty-five miles of the City of Ottawa and within economic transmission distance of the largest markets for power in the Dominion of Canada. Initial deliveries of this power to the Hydro-Electric Power Commission of Ontario, the Company's largest customer, are scheduled to begin October 1, 1928. Other powers held by the Company and located on the Ottawa River and its tributaries bring its total capacity, now operating or nearing completion, up to 544,330 h.p., of which 463,300 hp. is already in operation. The power plants comprising its system are so designed that this capacity of 544,300 hp. may be increased to 697,000 hp. whenever conditions in the power market justify, merely by installing additional equipment at relatively small expense. The total potential capacity of the Company including its undeveloped power is in excess of 1,100,000 hp. All of these powers are owned in fee or held under long term government leases.

Purpose of Issue: The proceeds of this offering of $7,500,000 6% Debentures, Series "B" and of $1,100,000 5% Bonds recently sold by the Company, and of $7,900,000 5% Bonds to be presently offered will reimburse the Company for expenditures made or to be made in connection with the recent acquisition of the Bryson and Chaudiere plants on the Ottawa River including the enlargement of the Bryson plant now under way and for other capital expenditures.

Power Contracts: Contracts for the sale of all the primary power to be presently generated at the plants have already been executed with the Hydro-Electric Power Commission of Ontario, City of Ottawa, Canadian International Paper Company, Canada Cement Company, Limited, E. B. Eddy Company, Ottawa Electric Company and Gatineau Electric Light Company, Limited. The Trust Deed securing the Company's First Mortgage Gold Bonds contains provisions limiting and defining the conditions under which changes may be made in certain of these contracts in order to introduce the reasonable flexibility desirable in long term contracts. With the Hydro-Electric Power Commission of Ontario, one contract for a term of thirty years has been executed under the terms of which the Commission will purchase 80,000 hp. of electrical energy during the twelve months beginning October 1, 1928, the amount increasing annually thereafter to a maximum of 260,000 hp. during the twelve months beginning October 1, 1931, which rate is continued throughout the life of the contract. Another contract, covering a period of forty years, with renewal privilege, entered into in 1927, reserves for the Commission an additional 100,000 hp. of which a minimum of 60,000 hp. is to be taken in annual increments of 6,000 hp. for ten years beginning October 1, 1928.

Earnings: Net earnings available for interest and reserves under contracts now signed, it is estimated, will be in excess of $6,600,000 for the twelve months beginning October 1, 1931, or over 1.7 times the combined annual interest requirements on the $19,631,000 Debentures (including this issue) and the $52,292,500 First Mortgage Gold Bonds, to be presently outstanding. For twelve months beginning October 1, 1928, on which date deliveries of power to the Hydro-Electric Power Commission of Ontario are scheduled to commence, it is estimated that such net earnings will be in excess of 1.1 times these combined annual interest requirements. In the following years increased power deliveries called for by the power contracts will result in constantly increasing earnings up to the twelve months beginning October 1, 1931, and these earnings will further increase thereafter as power utilized for steam is delivered for power purposes.

WE RECOMMEND THESE DEBENTURES FOR INVESTMENT

PRICE 101 AND ACCRUED INTEREST TO YIELD OVER 5.88%

These Debentures are offered for delivery when, as and if issued and received by us and subject to approval of counsel. Legal proceedings in connection with the issuance of these Debentures have been or are to be passed upon for the Bankers by Messrs. Rushmore, Bisbee and Stern, New York, and for the Company by Messrs. Davis, Polk, Wardwell, Gardiner and Reed, New York, and Messrs. Brown, Montgomery and McMichael, Montreal; and titles have been or are to be passed upon by said Messrs. Brown, Montgomery and McMichael. It is expected that Temporary Debentures or Interim Receipts will be available for delivery on or about October 16, 1928.

Harris, Forbes & Company
Limited

Drury & Co

Dominion Securities Corporation
Limited

Royal Securities Corporation
Limited

Hanson Bros.
Incorporated

Greenshields & Co

Wood, Gundy & Company
Limited

A. E. Ames & Company
Limited

Nesbitt, Thomson & Company
Limited

The National City Company
Limited

R. A. Daly & Co.
Limited

Société de Placements du Canada
Limitée

Statements while not guaranteed are based upon information which we believe to be reliable.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

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OTTAWA OFFICE
520 Ottawa Electric Building

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F. J. FAIRHALL, President, Member Montreal Curb — HON. W. E. FOSTER, LL.D, Vice-President

Investment Trust Bankers

414 St. James Street — Montreal
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STOCKS and BONDS
Canadian, British and American Securities Bought and Sold on all Principal Exchanges for Cash or on conservative margins.
Private wire connections, New York, Montreal, Toronto
OSLER, HAMMOND & NANTON LIMITED
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WAKEFIELD
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MOTOR OIL
Used by Millions Throughout the World

The
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DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CANADIAN PACIFIC BUILDING
MONTREAL LONDON HAMILTON TORONTO OTTAWA

Automobile Industry in Canada

Automobile Production Remains High in August

Production of automobiles in August continued to show a steady increase and came close to the record for all time. During the month 31,245 cars, valued at $18,705,651 at the plants, were turned out. This number was 24 per cent. over the output for July, 150 per cent. above the production in August of last year, and was exceeded only in one other month in the history of the industry, namely in May, 1928, when 33,942 cars were produced in Canada.

August production indicated an increased demand for closed models. Open car models produced in the month totaled 5,369 as against 5,531 in July, but closed models advanced to 15,232 from 12,328 in July. Trucks produced in August numbered 1,280 as against 856 in July and chasses increased to 9,363 from 6,511.

For the eight months ending August 31, 1928, the cumulative production of automobiles in Canada was 181,459 cars valued at the plant at $116,209,341, as compared with 150,321 cars valued at $96,757,055 for the same period of 1927. Of the total cars made during the year, 129,658 were intended for sale in Canada and 51,801 for export.

Imports and Exports Increase

Imports and exports both show an increase for August. Imports amounted to 4,753 cars as against 4,210 in July, an increase of 13 per cent. Exports advanced to 11,048 from 8,057 in July, representing a gain of 37 per cent. For the year to the end of August exports show in excess of imports, the former being 45,856 cars and the latter 38,898.

Of the total production of 31,245 cars in August, 19,941 valued at $13,934,534, were intended for sale in Canada and 11,304 valued at $4,771,117 were made for export. By adding the imports of 4,753 to the total of 19,941 made for Canadian sale, a total of 24,694 cars available for distribution in Canada is obtained. For the year to the end of August this figure reached a total of 168,556 cars.

Details as to class of cars produced, value, etc., follow:

Production in Canada

Class	Number Aug. 1927	Number Aug. 1928	Selling value f.o.b. plant Aug. 1927 $	Selling value f.o.b. plant Aug. 1928 $	Number 8 mos. 1927	Number 8 mos. 1928	Selling value f.o.b. plant 8 mos. 1927 $	Selling value f.o.b. plant 8 mos. 1928 $
Passenger:—								
Total Open	2,485	5,369	1,323,681	2,357,401	32,690	29,514	15,908,117	13,631,451
Total Closed	7,003	15,232	6,038,041	11,085,765	84,545	109,634	66,401,525	81,799,428
Trucks:—								
Total Trucks	2,322	1,280	1,083,634	1,164,076	18,882	4,341	9,039,044	4,648,938
Chassis:—								
Total	716	9,363	335,923	4,087,509	14,178	37,926	5,325,835	16,058,467
Taxicabs and busses	......	1	......	10,900	17	44	82,534	71,057
Total	12,526	31 245	8,781,279	18,705,651	150,321	181,459	96,757,055	116,209,341

General Motors Melon is Coming

Shareholders of General Motors Corporation will receive some special distribution of the profits of the company for the year which ended June 30 last. The directors meet in November to decide upon what action will be taken. Earnings of General Motors Corporation for the first nine months of 1928 will exceed those of the entire year 1927, and indications are that 1928 earnings will be the largest in history, Mr. Sloan stated. The corporation hopes for total shipments overseas for 1928 of 290,000 cars and trucks, representing a wholesale business worth about $265,000,000.

Graham-Paige Adds to Plant Facilities

Graham-Paige has before it an extensive expansion campaign. At the Warren Avenue plant, Detroit, a complete engineering laboratory, and a car test building surrounded by a concrete test track have been added to the plans. The combined floor area of the new structure will be 84,000 square feet. Besides these buildings an addition to the main power plant, with new equipment costing $75,000 has been commenced also.

At Perry, Fla., the company is erecting a mill to supply dimension-cut hardwood to the body plants at Wayne, Mich., and Evansville, Ind. Th new mill is being built at a cost of $150,000, and will have a capacity of 60,000 board feet per day.

GETS ORDERS FOR CABS

The Auburn Automobile Company have received a large order from the Saf-T-Cab Corporation of Cleveland, to fill contracts for Saf-T-Cabs, a specially built taxi cab which Auburn have been constructing since 1926.

SAYS RETAILERS MIGHT ADD LINES FROM OLD LAND

Col. Cole Tells of Work of Promoting Trade in Empire

Anywhere from 8 to 12 exhibitions are conducted each year, mostly in Europe, by the Exhibitions Division of the British Government's Department of Overseas Trade. This work is under the direction of Colonel H. W. G. Cole, C.V.O., C.S.I., O.B.E., who in the course of his duties directed the Empire Marketing Board Exhibit at the Canadian National Exhibition this year.

In an interview with Hardware & Metal, Colonel Code spoke of the increasing influence of exhibitions and demonstrations of merchandise in influencing public sentiment in the purchase of merchandise. The Exhibitions branch of the Department of Overseas Trade was said to be sparing no pains or expense to make its work a real influence. There had been many complimentary remarks about the Empire Marketing Board's exhibit at the C.N.E. this year.

"The whole purpose of the Board is to increase the consumption of home and Empire food products and raw materials, and we came here to show the people of Canada what the various industries of the United Kingdom are capable of producing," stated Colonel Cole who continued to elaborate the merits of U.K. products for consumption in this market. He contended that Canadian exports to the U.K. generally have shown a considerable increase, despite the fact that on a few lines the consumption of Canadian produce has declined due to Danish and other competition. He deplored the way in which certain Canadian newspapers told only part of the story or gave only certain figures to support their own particular attitude in regard to foreign trade.

Suggests Plan for Retailers

Colonel Cole suggested that Canadian retailers interested in developing trade in the wide range of Empire products available to them should get from the Department of Overseas Trade a list of Empire firms whose products were available for this market. The merchant could then write these firms for a sample of their products. Colonel Cole suggested that these merchants might then start an Empire Products Department in their stores, featuring some of the very interesting and palatable lines available. Many of such firms had no representation in this country and if merchants waited until they were approached by agents for those companies they would wait a long while.

Enthusiasm was shown by Colonel Cole in discussing the present situation in England. He stated that English products were showing their pre-eminence in many lines in the markets of the world.

Bell Telephone Puts 700,000th 'Phone in Use

From Our Own Correspondent

MONTREAL. — This week the 700,000th telephone installation was made by the Bell Telephone Company. As this figure only applies to Ontario and Quebec, the record is one that few, if any, telephone companies on the continent can equal. Add to these 700,000 the 135,000 telephones of the other Canadian systems whose lines connect with the Bell Telephone, affording complete intercommunication, one has a total telephone development of very impressive proportions.

The per capita installation in Ontario alone is said to be one of the highest in the world.

ADVISE MEMBERS DELAY PAYMENT DOMINION TAXES

Mutual Insurance Companies Question Legality of Levy Now

Ontario and Quebec members of New England mutual fire insurance companies are being advised by the companies to delay making the usual returns to the Dominion government preparatory to payment of the 5 per cent., tax on premiums which is imposed under the War Revenue Act as amended in 1922. The mutual companies apparently have obtained legal opinion that, since these companies have been licensed by the Ontario and Quebec governments, it is questionable if the tax on premiums can be legally collected. The Dominion government so far has not recognized the right of the mutual companies to do business in Canada.

It is intimated that there is a constitutional question involved in this taxation which may have to be taken before the privy council for settlement. The tax has been paid in former years but the mutuals have been given a new status in Canada since late in 1927 when they obtained licenses in Ontario and Quebec.

Canadian members of the mutuals are advised to delay making the return pending a definite determination of the legal position. The returns are not required to be filed until December 31 and it is suggested that if, along toward the end of the year, the returns are filed and the tax paid, payment should be made under protest and it is said that legal action will likely follow in an effort to have the taxes remitted if the final authorities determine that the Dominion tax cannot be collected legally on premiums paid to companies which are licensed by the provinces in which the business is done.

COMMON DIVIDEND IS NOW EXPECTED FOR HAYES WHEELS

Improved Earnings Position Said Now to Warrant Early Payment

Improved prospects for an early dividend disbursement to common shareholders, is the reason assigned for the advance in Hayes Wheels & Forgings common stock.

While it has been known for some time that earnings during the first six months of the current year were satisfactory, and are said to be at the rate of nearly $6 on the common stock, there was some fear felt that the second half might not be so good, as was the case last year when the first six months showed good earnings and the second half was disappointing. But the company has now completed three-quarters of its operating year, and has gone halfway through the second period with even better earnings than in the first half. Orders on hand are stated to assure a good volume of profitable business beyond the current fiscal year of the company; and it is now fully expected that profits will exceed $6 a share on the common stock.

Under these circumstances, it is believed likely that the directors will depart from their earlier decision to declare no dividends on the common till after the close of the present fiscal year. In fact, it is stated now in certain circles that the directors have already made up their minds in favor of a dividend to be declared shortly. This initial dividend, it is said, will be fairly substantial, possibly as much as $2.

The operating position of the company has much improved over last year. The new rubber-reclaiming and manufacturing plant at Galt is doing very creditable work; and, while this branch of the company may not show a very handsome profit this year, it will have worked down to a definite and economical basis of manufacture, where a substantial return can be expected next year.

Agricultural Survey

Live Stock Demand Good Grain Cutting Near End Markets Show Strength Milk Exports Are Heavy

GRAIN cutting in the west has made good progress. In many areas it has been completed and by the end of the month, the activity of the farmers will be concentrated on threshing. A few sections have experienced rain fall which delayed cutting, but, on the whole, excellent weather conditions have prevailed and the crop should be got to the elevators in record time this year.

Receipts at country elevators, terminal points, and loadings all indicate that the yield is coming up to expectations. There has been little or no comment upon the government's estimate of the possible yield which would indicate a unanimity of opinion.

This week a report on wheat was published by one of the leading American authorities which estimated that the crop this year would be about 4 per cent. over normal. This is exceedingly encouraging from a marketing standpoint in view of the exceptionally heavy yields in Canada and the United States. Spain and other European countries are known to have a short crop this year which has tended to offset the very large increase on the North American continent. The prices from the Argentine and Australia would indicate that the crop in that country, available for export, will not be unduly large.

Wheat Prices Stronger

In the last seven days the market for wheat has shown considerable strength Whether or not this is due to legitimate bidding or to the bolstering up of prices on account of the U. S. presidential election, it is difficult to say. It is of little moment one way or the other as long as prices are obtained. Export demands at the moment are somewhat slow and storage receipts are piling up quickly.

As a whole the grain situation is rather satisfactory at the present time. While the size of the Canadian crop this year would ordinarily cause some degree of uneasiness there is a feeling of confidence that a very large percentage of it will be marketed at a satisfactory price and that the hold over into 1929-30 will not be excessively large. Furthermore all reports to date indicate that the quality of the crop averages better than it did last year when the grade for wheat was slightly less than No. 3 Northern.

Demand For Milk

An interesting feature of the dairy industry during the past month or two, aside from the marked decline in butter production in the western provinces, is the sharp increase in milk exports to the United States. With the enforcement of the Lenroot Act early in the year it was felt that Canadian shippers in the Eastern provinces would have their market for milk and cream in the United States seriously curtailed. It is true that there has been a decline, but the recession has not been as great as was generally expected.

Export figures prepared by the Department of Trade and Commerce on shipments of milk and cream to the United States during August bring out an interesting fact. In comparison with August, 1927, cream shipments last month show a substantial decrease. On the other hand, exports of milk show an increase sufficiently large to offset the decline in cream shipments. This would indicate that more and more Canadian dairy farmers are complying with the regulations as set forth in the Lenroot Act.

Stock Market Keen

One of the strongest phases of the Canadian agricultural industry at the moment is the strength shown in the livestock branch. During the past year there has been a very steady and at times substantial increase in livestock prices. This has been due to a better domestic and American demand. Export trade to the United Kingdom has become a negligible factor in the Canadian livestock market. In time the situation may change and the United Kingdom again become a dominant factor in fixing prices, but there is little likelihood of any important change in the immediate future.

MILLERS MEET, FIND INDUSTRY LOOKING BETTER

Many Canadian Firms Are Represented at Montreal Gathering

The improved conditions of the milling industry were dwelt upon by R. R. Dobell, retiring president of the Canadian National Millers' Association, in his address before the annual meeting of that body held in Montreal last week. Several improvements have been effected and Mr. Dobell looks for further improvement in the industry in the coming year. Conditions in the export markets were also dealt with by Mr. Dobell, particularly with regard to the difficulties now facing the flour importers in the United Kingdom.

The meeting was attended by representatives from many Canadian milling firms. Reports by the secretary and from the traffic committee were received and discussed by the representatives. Following the presentation of reports the new board of directors were elected as follows:

C. H. G. Short (president), Dominion Flour Mills; Chas. Ritz (1st vice-president), Robin Hood Mills; W. H. McCarthy (2nd vice-president), Standard Milling Co. of Can.; W. A. Black, Ogilvie Flour Mills; R. R. Dobell, Ogilvie Flour Mills; W. W. Hutchison, Lake of the Woods Milling Co.; A. R. Macdonald, Maple Leaf Milling Co.; Geo. A. Macdonald, Quaker Oats Co.; J. A. McDonald, McDonald & Robb, Ltd.; A. C. McLeod, McLeod Milling Co.; J. J. Page, Western Canada Flour Mills; R. J. Pinchin, Copeland Flour Mills; A. P. Walker, Standard Milling Co., of Can.; Thos. Williamson, St. Lawrence Flour Mills; J. G. Wolverton, Wolverton Flour Mills.

There will also be a director representing Messrs. Spillers Canadian Milling Co., Ltd., of Calgary, to replace their former representative, D. Eric Treharne, who has resigned and returned to England.

J. L. V. Mallette was reappointed as secretary of the association.

In addition to the business meetings there was the work of determining the champion golfer of the millers—an annual event. The tournament took place at the Mount Bruno golf course and was won by H. C. Moore, of the Lake of the Woods Milling Co. The Morrow Cup, presented to the senior players of the organization, was won by R. R. Dobell, of Ogilvies.

In the Mail

CALL MONEY MARKET

Editor, Financial Post:— I have read with great interest the recent articles in your paper regarding the call money market. The reason for the subject being discussed is, I suppose, the irritation caused those few months back by the stringent attitude of the banks towards the provision of money for stock exchange purposes.

As to whether the banks' attitude in the matter was entirely due to the necessity of providing for the financing of the crops is known to themselves alone, but the success of our banks is the best testimonial to their ability to conduct their own business.

After all are the stock exchange members doing anything to help themselves in the financing of their business? I certainly think they are not.

The present method of dealing on margin is not only cumbersome and, therefore, deterrent to increase of business, but in its operation throws an entirely unnecessary strain on the exchange clearance system. Within comparatively recent months this strain threatened to cause its collapse and in the future this will certainly occur in any stress of business, causing loss, alike to client and broker and carrying within it the possibility of disaster.

Under those circumstances I think it would be to the advantage of the stock exchange members to study the working of what is called in Britain the contango system. It is this system which enables the London market and in a lesser degree the provincial exchanges in Britain to hold an unchallenged position as the broadest and closest dealing markets in the world. The system is one which combines the beneficial effect of a call money market without its very obvious disadvantages, and from my experience of its working it could very easily be adapted to the stock exchange procedure here, and is indeed ideally designed for just such markets as Toronto and Montreal.

Many of the wealthiest members of the exchanges in Britain confine themselves entirely to this branch of the business, and through it are able to bring to the market's use, large amounts of capital which would not otherwise be available, with enormous benefit to the market's members, whilst at the same time earning between 12 per cent. and 15 per cent. on their own capital employed although they labor under the handicap of a one per cent. stamp tax.

The system has stood the test of forty years, including two large wars, and has been found:

First: To increase business enormously by permitting freer and therefore safer markets.

Second: To relieve brokers from the financing of their business and leave them free for their real work, the obtaining and executing of orders.

Third: To provide a system where outside money can be readily employed in the market.

So far as the banks are concerned my experience in the old country (which I think would be the same here) was that firms doing contango business were able to get greater consideration from the banks, who knew by long experience that such business was about the safest they handled.

As I have said I think the matter is one for immediate careful attention of stock exchange members and indeed, of everyone who is interested in the financial strength and soundness of the Dominion, and if any such should be interested enough to study the matter further, I will be pleased at any time to meet them.

CONTANGO.

Toronto, Ont., Sept. 25.

The Encyclopedia Britannica defines "contango" as follows: A stock exchange term for the rate of interest paid by a "bull" who has bought stock for the rise and does not intend to pay for it when the settlement arrives. He arranges to carry over or continue his bargain, and does so by entering into a fresh bargain with his seller, or some other party, by which he sells the stock for the settlement and buys it again for the next, the price at which the bargain is entered being called the making-up price. The rate that he pays for this accommodation, which amounts to borrowing the money involved until the next settlement, is called the contango.

KORMANN BUYS KING & DALTON CO.

New Beverage Concern Has Big Expansion Program

It is officially announced that Kormann's Beverages, Limited, has purchased the business of King & Dalton as a going concern, and will henceforth manufacture the full line of products that have been sold for several years under the "K & D" brands. This includes pale dry ginger ale and several other well-known beverages.

Kormann's Beverages, Limited, was incorporated about a year ago for the purpose of taking over Kormann's Brewery which had been in operation for more than sixty years, and engaging in the business of manufacturing beverages. Additions to former plant now being completed will give the company double the capacity of a year ago; and the purchase of King and Dalton round out the line of beverages the company will make.

Directors and officers of Kormann's Beverages, Limited, are: James Jamieson, president; Fred Hambly, vice-president; Henry C. Wiedmann, managing director; Armand N. Heintzman, Jas. A. Ragdale, and Oscar Welti.

CANADIAN WINERIES COMPLETE ADDITIONS

Organization Rounding Nicely Into Shape — Good Balance Sheet

Canadian Wineries has practically completed co-ordination and consolidation of the various operating units in the merger, and will also shortly complete the additions to plants that have been under way for some little time. The major part of the additional storage tankage is being installed at Oakville, the plant best located for the maturing of large quantities of wine, and additional tanks are also being installed at the Lincoln plant near St. Catharines. The new tanks will add nearly 25 per cent. to storage capacity, bringing the latter up to 1,350,000 gallons.

An inventory of the various properties as of June 30 last shows total net current and fixed assets of $1,040,000, equivalent to $10.40 a share. Net current assets are shown at $620,000, including $180,000 cash on hand.

The company is stated to have large orders on hand, but as the management's policy is to store large quantities of wine for maturing and aging only, moderate earnings will likely result from present year's sales, with larger sales next year and the years following.

MOVE EMPLOYEES TO REGINA

As a vanguard of the movement to Regina of General Motors employees, arrangements have been completed for the transfer of the staff of about 40 from the Winnipeg office of the General Motors Acceptance Corp. From October 1, Regina will be the headquarters from which General Motors will administer all its western business. Temporary premises have been secured in Regina until the new office building, being erected by the plant, is completed.

GROWERS' WINE EARNINGS LARGE FOR PAST YEAR

Expansion of Business Has Enabled Company to Declare Bonus

From Our Own Correspondent

MONTREAL. — Growers Wine Company, of Victoria, closed its fiscal year on April 30 last with earnings at a new high point. Gross profits totalled $76,361, which after payment of expenses, depreciation and reserve for Dominion and provincial taxes left a net profit for the year of $35,031. Last year the company paid a 50 per cent. stock bonus, 7 per cent. on the preferred, and 7 per cent on the common.

The company was established five years ago and stock sold to virtually all the loganberry growers in British Columbia. In the first year of operations 7,500 gallons of loganberry wine was produced. In 1924 production had increased to 25,000 gallons; in 1925, 65,000 gallons; 1926 and 1927, 100,000 gallons; and in 1928, 200,000 gallons.

Early this year Wine Grovers took over the B. C. Wine Growers Company, Vancouver, whose production was 50,000 gallons. This brought the combined production for 1928 up to 250,000 gallons.

While the initial plant and equipment of the company were limited, numerous extensions have been made. Last year a new plant with a capacity of 76,000 gallons was constructed, while this year another 400,000 gallons was added making a total capacity of 600,000 gallons.

Widening Market

To date the company has confined its marketing operations to the four western provinces. It has not entered the eastern Canadian market, but is pointing that way, and it will not be long before it covers that field. Up to the present the company has been able to sell all its output in the western market.

The balance sheet of the company as at April 30 last shows assets of $227,711. Of this amount $54,129 represents fixed assets; $163,395 current assets; $3,936 unexpired charges and $6,250 goodwill.

Among liabilities are $35,000 of 7 per cent. cumulative preferred class "A"; $50,000 preferred class "B" and 40,500 ordinary shares of $10 each. The subscribed capital of the company at the moment totals $208,910 of which $35,510 is unpaid, leaving a paid up capital of $473,400. Mortgages on the building and land total about $18,000. Current liabilities are only $12,479.

ELIMINATES GEARSHIFT

The Daily Mail (London, Eng.) says that a "motoring development of first-hand importance" in the form of an automatic gear-shifting device, has been adopted by one of the leading British manufacturers after successful tests over 50,000 miles. By this device a driver moves a pointer on a quadrant on his steering wheel to the desired speed designation, steps on a pedal, and the gear changes "automatically, smoothly and silently."

PORT OF MONTREAL EXPECTS BIG YEAR

Over 125,000,000 Bushels of Grain Handled Up to Date

From Our Own Correspondent

MONTREAL. — Some interesting figures are available regarding the shipping of wheat from the Port of Montreal, which seem to indicate that the inland port is still the largest exporter of Canadian grain in the Dominion. From August 1, 1927, to August 1, 1928, the number of bushels of Canadian grain cleared from Montreal was 105,491,763. From August 1 to August 3, 1928, Vancouver shipped 83,020,256 bushels, and Prince Rupert exported 7,935,976 bushels.

Last year was a banner year for Montreal, when 195,000,000 were delivered, this amount naturally includes American grain. This year deliveries are running about 15,000,000 bushels ahead of last year for the same period, and prospects of the present crop indicate a total clearance of well over 200,000,000 bushels.

Total number of bushels shipped this year to Sep. 21, is 125,293,846. This is comprised of 98,026,531 bushels of Canadian grain and 27,267,315 bushels of American.

Regarding the tremendous size of the crop which must be handled this year, Montreal can handle all the grain that can be got down there before the close of navigation. But congestion is in sight for the grain movement farther inland.

With the arrival of the ice every available boat that can be utilized will receive the overflow for the six months storage at the Canadian lake head. When these and the elevators are filled, the two railways will supply several thousand cars up to the limit of dead storage trackage for emergency storage through the winter. Country elevators and interior terminal storage, will take care of a certain amount, but in all likelihood the farmer will be forced to hold a considerable store, which he will have been unable to clear.

Officials of Textile Company

MAJOR GEO G. MITCHELL — CLEMENT TREMBLAY

The appointment is announced by John T. Ayers, president of Ayers, Limited, Lachute Mills, P.Q., one of the pioneer and largest manufacturers of textile products, of Major Geo. G. Mitchell as director and sales manager of the pulp and paper makers' wool felt department, and Clement Tremblay as director and sales manager of wool blankets and mechanical wool cloth departments.

ONTARIO WINE CO. ADDS TO PRODUCTION

Sales and Earnings Also Show Good Gains

Sales and profits of the Ontario Wine Co., Ltd., for the first four months of its corporate existence, have shown a substantial increase over previous earnings of the constituent companies. Sales for August doubled May's showings; and profits for the four months are stated to be sufficient to assure preferred dividends and a little left over.

The additions to the company's plant, planned to increase its wine capacity from 25,000 gallons a year to 200,000 gallons, have been completed, and the company will manufacture this year around 160,000 gallons of grape wine, and also some 18,000 gallons of cherry wine. The new storage tanks of some 173,000 gallons capacity, necessary for storage and ageing, are now ready for the new wine.

The new board of directors is composed of the following: E. J. Morrow, president; W. R. Willard, vice-president; C. C. MacKenzie, secretary-treasurer; and G. H. Martin and J. E. Burke.

Public Utility Earnings

B. C. Electric Co.

July—	1927	1928
Gross earnings	$1,031,843	$1,119,808
Expenses, etc.	762,098	816,624
Net income	$ 269,745	$ 303,184
At $4.85 to £	£ 55,617	£ 62,512

Brazilian Traction

August	1928 $	1927 $	Increase $
Gross earnings	3,771,086	3,358,938	412,148
Oper. expenses	1,573,582	1,368,735	204,847
Net earnings	2,197,504	1,990,203	207,301
Aggre. gross from Jan. 1.	27,974,447	25,126,010	2,848,437
Aggre. net from Jan. 1.	16,227,293	14,585,255	1,642,038

Can. Western Natural Gas

	1928	1927
August	$ 62,029	$ 57,701
Jan. 1 to Aug. 31.	1,197,011	1,020,902

East Kootenay Power Co.

August—	1928	1927
Gross earnings	$42,670	$33,307
Operating expenses	10,690	9,183
Net earnings	$31,980	$24,124
Five Months Ended August 31—	1928	1927
Gross earnings	$197,847	$164,656
Operating expenses	55,747	49,136
Net earnings	$142,100	$115,520

Winnipeg Electric Earnings

	July, 1927	July, 1928
Total gross earnings	$ 449,524	$ 465,135
Working expenses	306,275	332,877
Net earnings	$ 143,249	$ 132,258
Gross earnings 1st Jan. to end of July	$3,461,624	$3,581,669
Net earnings 1st Jan. to end of July	$1,233,438	$1,148,963

L'Energie Industrielle and Subsidiaries

July—	1928 Francs	1927 Francs
Gross earnings	8,130,970	4,837,665
Operating expenses	5,650,567	2,777,956
Net earnings	2,480,403	2,059,709
Seven Months ending July 31—	1928 Francs	1927 Francs
Gross earnings	64,025,502	41,591,331
Operating expenses	34,654,053	23,309,665
Net earnings	29,371,449	18,281,666

Connors Bros. Plants Operate at 80 per cent.

Connors Bros., Limited, canners and packers of sea foods, are said to have been experiencing difficulty in getting enough goods to put up this year owing to the scarcity of fish. The company had planned to increase its pack 20 per cent. over last year, but the catch in April, May, June and July was only sufficient to keep the plants operating at 50 per cent. of their capacity. As a result the pack got behind the objective. At the present time plants are running about 80 per cent. of capacity.

The company is continuing to open new markets and is doing business in over 90 countries. Earnings are expected to run as high as last year. The preferred dividend is being paid quarterly and a half-yearly dividend of two per cent. was paid on the common. These dividends have been easily earned it is stated.

DOMINION ENGINEERING WORKS, LIMITED

DIVIDEND NOTICE

A Dividend of Seventy-Five Cents (.75c) per share has been declared on the No Par Value Shares of this Company, for the Quarter ending 29th September, 1928, payable 13th October, 1928, to Shareholders of record at the close of business on the 29th September, 1928.

By Order of the Board.
F. W. EVENS, Secretary.
Montreal, P.Q., 25th September, 1928.

MAPLE LEAF MILLING COMPANY LIMITED

PREFERRED DIVIDEND No. 73

Notice is hereby given that a dividend has been declared for the quarter ending October 3rd, 1928, of one and three-quarters per cent. (1¾%), on Preferred Stock, payable October 18th, 1928, to Shareholders of record at close of business October 3rd, 1928.

By Order of the Board,
J. A. LEHMAN, Secretary.

The Canadian Bank of Commerce
The Standard Bank of Canada

Notice is hereby given that it is the intention of The Canadian Bank of Commerce and The Standard Bank of Canada to apply to the Governor-in-Council of Canada for approval of an agreement between the said banks for the purchase by The Canadian Bank of Commerce of the entire assets of The Standard Bank of Canada.

This notice is given pursuant to Section 106 of the Bank Act, and such application will be made after this notice has been published for at least four weeks, as required by the said Section.

S. H. LOGAN, General Manager, The Canadian Bank of Commerce.
N. L. McLEOD, General Manager, The Standard Bank of Canada.
Dated Toronto, 18th September, 1928.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 29th September, 1928, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 1st day of October, 1928, to shareholders of record of the 20th September, 1928.

C. A. BOGERT, General Manager.
Toronto, 23rd August, 1928.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Three per cent., being at the rate of Twelve per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after

1st October, 1928,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE, Manager.

Provincial Paper Ltd.

Notice is hereby given that the Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by Provincial Paper Limited, payable October 1st, 1928, to Shareholders of record as at the close of business September 15th, 1928.

(Signed) W. S. BARBER, Secretary.
Toronto, Ontario.

The Wabasso Cotton Company, Limited

DIVIDEND No. 43

Notice is hereby given that a Dividend of One Dollar per share on the Capital Stock of the Company has been declared for the quarter ending 30th September, 1928, payable on the 1st day of October, 1928, to shareholders of record as at the close of business on the 14th day of September, 1928.

By Order of the Board.
JAS. R. RITCHIE, Secretary-Treasurer.
Three Rivers, August 30th, 1928.

Abitibi Power & Paper Company Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of 1¾% has been declared on the outstanding Seven Per Cent. Cumulative Preferred Stock of the Abitibi Power & Paper Company Limited, payable the 1st day of October, 1928, to shareholders of record at the close of business the 20th day of September, 1928.

By Order of the Board.
W. H. SMITH, Secretary-Treasurer.

THE B. GREENING WIRE COMPANY, LIMITED

Preference Dividend No. 21

Notice is hereby given that a quarterly dividend of one and three-quarters per cent. on the Preferred Shares of the Company has been declared payable October 1, 1928, to shareholders of record September 15, 1928.

F. J. MAW, Secretary.
Hamilton, Ont., September 17, 1928.

The Brading Breweries Limited

Common Dividend No. 18

NOTICE is hereby given that a Dividend of 50 cents (50c) per Share, payable upon the No Par Value Common Stock of this Company has been declared payable October 25th, 1928, to Shareholders of record at close of business September 29th, 1928.

By order of the Board,
OTTAWA, September 18th, 1928. JOHN RANKIN, Sec.-Treas.

KING EDWARD HOTEL COMPANY, LIMITED

NOTICE

A dividend at the rate of $1.50 per share has been declared on the common stock of the King Edward Hotel Company, Limited, payable on the first day of October, 1928, to shareholders of record at the close of business on Tuesday, September 25th, 1928.

By order of the Board of Directors,
D. H. McDOUGALL, Secretary.
Toronto, Sept. 24, 1928.

MOUNT ROYAL HOTEL COMPANY, LIMITED

NOTICE

A dividend of one and one-half per cent. (1½%) has been declared on the preference stock of the Mount Royal Hotel Company, Limited, payable the 1st day of October, 1928, to shareholders of record at the close of business on Tuesday, September 25th.

By order of the Board of Directors,
D. H. McDOUGALL, Secretary.
Toronto, Sept. 24, 1928.

THAYERS LIMITED LONDON

PREFERRED DIVIDEND NO. 2

Notice is hereby given that a dividend of 88c per share, being at the rate of 7% per annum, has been declared on the first preference shares of THAYERS LIMITED for the quarter ending September 30th, payable October 1st, 1928, to shareholders of record of September 24th, 1928.

By order of the Board.
S. E. PROWSE, Secretary.
September 21st, 1928.

SILVERWOOD'S DAIRIES, LIMITED

Dividend No. 1

Notice is hereby given that a quarterly dividend of one and three-quarters per cent. (1¾%) being at the rate of 7% per annum, will be paid on October 1st, 1928, on the Preference Stock of the Company, to Shareholders of record as at September 20th, 1928.

A dividend of twenty-five cents ($0.25) per share will also be paid on the Class "A" or Ordinary Fully Participating Shares and the Common Shares of the Company as at the same date.

The transfer books of the Company will not close.

By order of the Board.
J. H. GILLIES, Secretary.

The Humberstone Shoe Company Limited

Notice is hereby given that a bonus of fifty cents per share on the common shares of no par value of the Company has been declared payable on and after October 15, 1928, to shareholders of record at the close of business on October 1, 1928. The transfer books will be closed from October 2, 1928, to October 15, 1928, inclusive.

W. K. FRASER, Secretary.
Toronto, September 24, 1928.

Distillers Corporation-Seagrams Limited

DIVIDEND NOTICE

NOTICE is hereby given that an Interim Dividend of twenty-five cents per share has been declared on the shares of the Company payable on October 15th, 1928, to shareholders of record as at September 30th, 1928.

By order of the Board.
E. R. HARRISON, Assistant Secretary.
Dated 20th September, 1928.

Woods Manufacturing Company, Limited

PREFERRED STOCK DIVIDEND NOTICE

The regular quarterly Dividend of One and Three-quarters (1¾%) per cent. on the PREFERRED STOCK OF WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending SEPTEMBER 30th, 1928, has been declared payable OCTOBER 1st, 1928, to shareholders of record SEPTEMBER 27th, 1928.

BY ORDER OF THE BOARD.
JOHN T. F. KEENE, Secretary-Treasurer.
Montreal, September 20th, 1928.

WESTERN GROCERS LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the New Preference Stock of Western Grocers Limited, has been declared for the quarter ending September 30th, 1928, payable October 15th, 1928, to shareholders of record September 30th, 1928.

By Order of the Board.
W. P. RILEY, President.
Winnipeg, September 21st, 1928.

Canadian Industrial Alcohol Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-eight cents (38c) per share has been declared on the Capital Stock of this Company for the quarter ending 29th September, 1928, payable 15th October, 1928, to shareholders of record at the close of business on 29th September, 1928.

By Order of the Board.
J. GIBSON LAWRENCE, Secretary.

Outlook of Consol. Smelters Remains Highly Promising

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Two Nickel Producers Share Frood Ore Body

Two Nickel Producers May Work Much Closer Following Mond Visit

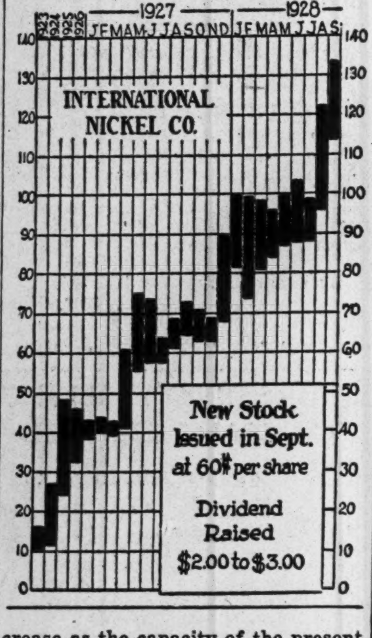
Position of Both Much the Same Though I.K. is Much Larger

SHARE FROOD BODY

Both are Carrying on Expensive Development to Tap Same Ore

Financial Structure of Nickel Operators

International		Mond
....	Debentures 5%	£375,000
....	Debentures 5½%	1,050,000
$2,100,000	Notes 5%	....
....	Preferred 7% Cum.	500,000
....	" A 7% Cum.	1,250,000
....	" 7% Non C.	2,000,000
8,912,600	" 6%	....
....	Com. shs. issued	2,400,000
....	" 10 S. par	£1,200,000
....	" value (33)	$79,200,000
1,876,372	" shs. issued	....
$28,145,580	" $25 par	....
$252,940,000	" value (130)	....



(Continued from page 1)

plains why they were not interested in the 160 acre section which Mond now owns. At the 2,000-ft. horizon the 63 degree dip to the northwest carried the ore body over the corner of the Mond property and gave them a length of 1,200 ft. At 4,000 ft. it is estimated that the length of the Mond zone is 2,400 ft. International Nickel is on both ends of the Mond section and it is possible that the three sets of workings, Nickel's two, one northeast of the Mond and the other southwest and the Mond workings, will run into each other. Both companies have put down large new shafts and are pushing ahead lateral development. Mond Nickel has done a great deal of work already in its ore. International Nickel is driving from the new shaft to its ore and is expected to cut it somewhere around the end of the year.

Build New Smelters

International Nickel is proceeding with the erection of a large smelter to treat the Frood ore. This smelter will produce blister copper and it may be that later the company will go in for an electrolytic refinery. Mond Nickel is making plans to increase the production of its smelter by fifty per cent. Mond ships its copper and nickel matter to Wales in barrels where the company's refinery is located.

There is a great deal of co-operation between the two companies in the matter of devising new uses for nickel and this campaign has met with a considerable amount of success. It may be that the near future will see the two companies draw closer together than ever.

Earnings of Both

In regard the earnings position of the two companies, it is difficult to go into any great detail as neither company issues a statement on tonnage, gross production, costs, etc. Each states the amount of funds available for dividends, etc. This shows that International has about $6,000,000 and Mond, after meeting all charges, about $3,000,000, or fifty per cent. It has been remarked previously that Mond's output was about one-third of International Nickel but the net was half. This indicated lower costs for Mond. It is understood that International Nickel, spurred on by these reports, got busy and not only cut costs but also made such improvements in its process that it is to-day credited with having the whip hand in this regard. International Nickel's new smelter is expected to handle 4,000 tons daily. This is better than 100 per cent. increase as the capacity of the present plant is 3,000 tons daily. Mond's plans call for a fifty per cent. increase in the smelter capacity. This would indicate that Mond will hold its position of producing less than half what "I. K." does and future experience will show whether or not it is able to maintain its position of having a net equal to about half that of the larger company.

Stock Predictions

Nickel's production has been steadily rising and it is expected that the last half of this year will be substantially ahead of the first half which in turn showed a great improvement in production and net over the previous half year. It is reported, in well informed circles, that the earnings for this year when revealed in detail will show justification for a price of $150 per share for the stock and it is then said that the developments of the operations, particularly the Frood, will, from then on, carry the stock up quickly to the $200 mark.

As will be seen from the accompanying table on the capital structure of the two companies that Mond is selling well below half of what "I. K." is valued at in the market. The movement in Mond stock would indicate that this large gap is to be closed somewhat as higher prices for Mond are also predicted.

Woodbine Has Trouble Stock Down to 10c.

Woodbine Mines, operating next to Premier Mine, Portland Canal, B.C., is in trouble. It had some good reports on its property which showed fine ore values and a substantial ore tonnage.

All was not well, however, as indicated by a change in presidents, and another engineer's report was sought. This was unfavorable and the stock broke down to 10 cents.

Only part of the engineer's report—the conclusion — has been published, but it is apparent from this that these engineers do not regard Woodbine as a mine.

Zinc Market Outlook Looms Much Better

The zinc industry is now in sight of the corner, according to International Metal Service, London, Eng. This news will interest many Canadian speculators in base metal ventures having a substantial zinc content in their ore, a list of which was published a week ago by The Financial Post. The London interests say that it would not surprise if autumn does not witness a buying wave of zinc overtopping any previous one of this year. They can see a rise of $5 a ton for slab zinc on very little new buying. Lead situation has improved a lot.

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MINE COMPANIES PROVIDE FUNDS FOR RICH GROUP

Bobjo Mines Has Spectacular Gold Find in Red Lake Area

Bobjo, is the name of a new Red Lake company that will develop one of the richest gold discoveries ever found in Ontario. The venture lines up as a real mining men's operation. It is named after Bob Jowsey, one of the principals in the promotion, and the man who put through the Sherritt-Gordon deal and in addition some $200,000 or more that has already been pledged is being put up by mining men and mining companies.

Samples of the ore have been in Toronto for some time but announcement of the discovery was held up pending the closing of the deal and getting all matters in good shape. The property is on Lost Bay of Confederation, formerly Clearwater Lake, and has been prospected for some time. Coniagas mines did considerable work on the property and had many troubles. There were many who claimed an interest in it and on two occasions Coniagas was stopped working by injunctions.

Coniagas never encountered the high grade which has been found to extend so far for a length of 200 ft. having been opened up in three places. This discovery is in a big quartz dome that rises up sixty feet from the waters of the bay. The dome has a length of 700 feet and is about 350 feet wide and it is believed would contain about 1,500,000 tons. How much of this will be ore remains to be determined.

Veins from Dome

Three veins enter the dome from the north and two from the south. These are contact veins lying between a body of sediments and a large porphyry mass, a situation that makes the geology ideal. These veins meet and make the large dome.

Widths of these veins just before entering the dome from the south are 16 and 11 feet and in these sections it is stated that Coniagas got some good values. Some of the ore from these sections, brought to Toronto, is full of sulphides and may reasonably be expected to carry high gold values. The fact is that some of the assays run up to $100.

As for the high grade from the quartz dome, the values are fabulous. In many cases samples are 25 and 30 per cent. gold. The values are well disseminated and an encouraging feature is that the values at a depth of six feet are better than they are near the surface and the pay streak shows a tendency to widen.

Capt. Tripp, who has done a great deal of work in this section, was responsible for the discovery. After Coniagas left the property he got an option on it and did some work and studied out the situation. The result was that he fired a few pop shots into the dome and these revealed the high grade. He then secured some additional ground and then came to Toronto. Robert Jowsey and Walter Hurd took hold of the matter, provided the funds to take up the necessary cash payments and then proceeded with their organization. The company is capitalized at $5,000,000 and 2,000,000 shares go for the property. The full board of directors has not as yet been decided but they will all be prominent mining men.

FLIN FLON LINE REACHES GOAL

Two important announcements for Northern Manitoba were made during the past week. One was the completion of the railway to the Flin Flon, two months ahead of the expected time and the other was that Sherritt-Gordon mines would be relieved of paying Federal royalties on the ore mined for twenty years.

The railway to Flin Flon is 85 miles long and hits out for the northwest from the Hudson Bay Railway eight miles north of The Pas. The first fifty-five miles required three years to construct because the greater part of it was built over muskeg.

The next important step will likely be the extension of the line to Cold Lake to supply Sherritt-Gordon. It is known that the Canadian National Railway sent Dr. Bruce, of Queen's University, into the section to size up a route to Cold Lake from Cranberry Portage, 30 miles from the Flin Flon and an alternative by extending the line from Flin Flon north. It is felt that the latter will be the route finally decided upon.

Sherritt-Gordon was given exemption from royalties for twenty years and at the same time secured the right to export its product in the form of blister copper for final treatment. The Dominion Lands Act requires that all ores or minerals produced on lands leased by the Federal government be treated in Canada, but Hon. Chas. Stewart pointed out that in view of the fact that Sherritt-Gordon has spent $650,000 developing the properties, that a deposit of low-grade ore has been disclosed, containing copper and zinc, with a small proportion of gold and silver, and that a further $10,000,000 would be needed to erect a mill, smelter and other development works, the foregoing concessions be made.

"The construction of the necessary plant and works will require a period of approximately four years, and when brought to the production stage at the tonnage estimated, will require the employment of about 1,000 persons," says the announcement. "In order to complete this final refining in Canada, it would be necessary to ship the product to a Pacific coast smelter, and return the refined product to the Eastern markets, involving an additional haul of over 2,500 miles, and rendering the enterprise unprofitable."

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Smelters Will Earn Over $30 Per Share on Increased Output

Kimberley Concentrator Will be Stepped Up to 2,000 Tons Daily

SULLIVAN IS READY

At End of 1926 Big Mine Could Have Provided 5,000 Tons if Needed

Consolidated Smelters' decision to increase the output of Kimberley Concentrator to 6,000 tons daily, paves the way for substantially higher earnings. The company earned $23.02 per share in 1927. Earnings this year are higher. With an increase in the output at Kimberley section of the company's numerous operations, earnings of around $31.50 per share are to be expected.

It will be some time before the increase will make itself apparent in earnings. Part of the jump may be well under way before the end of the year. The coming year, 1929, should see the large concentrator make a real contribution to its output. In 1927 the concentrator handled 1,248,530 tons and it is estimated that the increase when in full effect will bring the yearly tonnage up to around 2,100,000.

Sullivan Development

The increased output will undoubtedly all come from the Sullivan mine. Last year this large producer shipped 1,250,000 tons to the concentrator and 22,137 tons of lead ore direct to Tadanac. This was out of a total of 1,500,000 tons from the company's properties. The Sullivan is well able to care for the increase. In preparing his report for the year 1926, W. M. Archibald, mine manager, writing under date of Feb. 4, 1927, stated that additional lateral work had made available further stoping areas and that the mine at the end of the year was in a position to comfortably produce 5,000 tons of ore per day. So far the mine has not been called upon to give up so much ore. Up to May of 1927, the tonnage was 3,000 daily. Then there was a gradual increase until Oct. 1927, when the 4,000 ton mark was reached and this has been maintained since. Meanwhile there has been no let up in underground development and it is to be expected that by this time the Sullivan is in an excellent position.

Will Reduce Costs

Another fact to be remembered about the Sullivan operation, is that the increased tonnage is going to materially reduce costs in the mine and at the same time in the concentrator. Ore is handled very cheaply in the mine and the increase in the tonnage will mean but little in the way of costs. About 75 per cent. of the ore from the Sullivan is delivered to the mine cars without handling. This is due to the fact that large funnel stops are employed and the ore goes to the cars by gravity. However, a part of the ore must be scraped from the benches in the stopes and in this way another 20 per cent. of the production is handled, drag line scrapers and mechanical muckers being employed. Only five per cent. of the Sullivan ore is hand mucked and this should not increase with the increase in production, as it is principally salvage operations in old workings.

Another big saving in costs has been brought about by closing down the aerial tram which was hauling the ore from the upper ore body, situated 1,500 ft. above the main ore body. Raises were put through and two workings connected and the ore is now handled through the main haulage and by long trains pulled by electric locomotives.

Will Maintain Grade

The question has been asked as to whether or not the increase in production will result in the treating of lower grade ore. This is doubtful. It is known that the desire or goal aimed at in shipping to the concentrator has been to keep the grade fairly uniform. In addition it is noted from the annual reports that there is a steady improvement in extraction, particularly in zinc and that the concentrates are carrying a steadily increasing metal content. In 1926 report it was stated that recoveries for the year show a great deal of improvement while 1927 report says metal recoveries are again much better recovering 6½ lbs. more metal from a ton of ore of the same grade in 1927 than in 1926. In both years lower concentrating costs were reported.

In regard to possible profits from the increase in production, there are many factors to be considered the principal one of which is costs. However, on assuming that there will be no change in costs, though it is obvious that they will be scaled down materially, it is indicated that net profits should work up to around $16,000,000. Production in 1927, plus ore on hand and less ore on hand on Jan. 1 and ores bought, indicated a production around $27,500,000 from a tonnage of 1,500,000. Of this 1,270,000 tons came from the Sullivan. On the basis of the 2,000 ton increase the Sullivan should bring the yearly output up to 2,100,000 which would make a gross of at least $44,500,000 compared with $36,500,000 now.

In dealing with this phase of the operation, no attention is being paid to the increases in the plant at Tadanac, the large smelter or to the recoveries of other metals and increases from other properties. These are going on all the time in constant procession with "Smelters."

Plow Back Earnings

It will interest some to note that in 1927 report the company showed that its increase in capital expenditure on property account and plant was $4,877,000 and that the amount set aside for depletion and depreciation of these accounts was $2,101,000 or nearly fifty per cent. of the increase, but at the same time the company paid $3,590,000 out of current earnings for improvements and betterments and also added $1,000,000 to contingent reserve. So far the company has plowed back $9,426,000 to property account from profit and loss and contingent reserve now stands at $3,000,000. The value of the plans and properties on the books of the company to-day is $23,869,000. The true value towers as much above this as the large 400 odd foot stacks tower above the company's smelter. Incidentally this valuation will include the Sullivan mine and the company's holdings in other companies including Coast Copper, Big Missouri, Sunlock, Kootenay Power, etc.

"I. K." Has Improved Its Ore Extraction

Friendly comparison is often helpful. It proved a good thing for International Nickel. Some time ago it was freely reported that Mond Nickel costs were away below International Nickel. It was said that the Mond refining process was the best and received 95 per cent. of the metallic content of the ore. Hence a higher return.

This got to "I.K." in devious ways and it may have stung a little bit. They got busy. This year costs are tumbling fast, but what is better, they experimented with improvements in their process and to-day, it is said, can claim to have the best process and are making a 99 per cent. recovery of nickel-copper.

ANOTHER GROUP TO BE OPERATED IN TASHOTA AREA

Kipper Co. Sets New Mark in Providing Treasury With Stock

Reflecting the increased activity in the Tashota-Kowash gold area of Ontario, which lies about 300 miles west of Cochrane between that point and Winnipeg, is the announcement of the entry of the Kipper-Tashota Gold Mining Company, in the field and their wants are supplied by the railway which passes through the centre of the district. Prospectors have been more numerous during the summer than for some years and the coming winter gives promise of being the most active in the district's history.

Kipper-Tashota has secured 12 claims in the area, all in group and comprising about 500 acres. Considerable preliminary work has been done on the property and approximately $15,000 has already been expended in this direction. The group lies one mile north of the Canadian National Railway line to which it is connected by a wagon road. The Tash'Orn, Cline, Adair and Tashota gold deposits all lie a short distance to the southwest.

A report on the property was recently prepared by Percy E. Hopkins, M.E., in which he states "appreciable quantities of gold have been found over four and five ft. widths from short lenses located 110 feet northeast of the east diamond drill hole on Claim K.K. 90, and on the east boundary of Claim K.K. 92, where samples gave $19.60 gold per ton over 42 inches. These lenses are well worth considerable additional work, with the hope of getting continuity of lengths and of values. The quartz schist deposits on K.K. 90 are of sufficient size and contain sufficient gold, as indicated by some pilot sampling, to warrant further surface exploration."

The company is capitalized at $3,000,000 in shares of $1 each of which amount 1,500,000 shares will remain in the treasury. In addition 750,000 shares have been donated by the vendor and are held by trustees for the benefit of the company, making a total of 2,250,000 shares available for financing purposes. All wendor stock is pooled and there are no options held on any stock. Stock will be sold on a straight commission basis.

Directors include: P. F. Quinlan, M.D., president; G. T. Reid, W. E. Smith, T. Reilly, Dr. W. J. Cooper, Percy E. Hopkins, geologist, is consulting engineer.

New Board to Push Exploration of Abbey

There has been a complete reorganization of the board of directors of Abbey Mines, Ltd. The present board is composed of Sir George Bury, who is also president of Canada Quebec Mining Corporation; Joseph Brochu, of the firm of William Brochu, investment brokers, Montreal; Ernest Dussault, contractor of Montreal; Malcolm Green, mining operator of Boston, Mass.; and Louis Brochu, manager of Canadian Exploration, of Amos and Montreal. Paul D'Aragon, M.E., is manager; John G. Short, treasurer, and J. W. Waiter, secretary.

Two drills are working on the group adjoining Abana and they plan work also in Dufresnoy, east of Waite Montgomery, and in Fourniere Twp. The operations in Desmeloizes will be under the direction of engineer Charles Spearman; and in Fourniere, Dr. James, formerly of the Federal government mining branch, will be in charge of the development program. Finances of the Abbey company are ample to cover all necessary expenses of operations during the next year, with a substantial amount of stock remaining in the treasury.

TREADWELL-YUKON BUYS IN NEVADA

Treadwell-Yukon, subsidiary of Bunker Hill-Sullivan, operating the Errington Mine, Sudbury Basin, has optioned the property of Yellow Pine Minerals at Good Springs, Nev. This is a silver lead-zinc venture and produced for many years. The deal involves $300,000 payable out of production.

REDUCTION PLANT FOR NORANDA TO BE READY SOON

Concentrator of 500 Ton Capacity on Way—Will Sink New Shaft

Pres. J. Y. Murdock, Noranda Mines, states that the new working shaft will be located north of No. 3 shaft. It will be sunk to 1,000 ft. and will cost $1,000,000 and take a year to complete. The 500-ton concentrator will likely be completed by November.

Mr. Murdock says that the fact that the first smelter unit can handle double its estimated capacity of 500 tons, has brought up many problems to be met with before the second unit can be put into operation. The mine was, of course, first prepared to supply the original estimated capacity of the first unit, and yet it has kept up with the increased demonstrated capacity. In addition to preparing the mine for the production of the necessary tonnage to supply the two units, practically every unit of the smelter must be added to, right through from the crusher equipment to the converter.

All Round Increase

In addition the capacity of the roaster section must be increased, the construction of the second reverberatory furnace must be completed, an addition will have to be built to the converter building, and additional converters installed. This work will take some months to complete. While it is expected the smelter capacity can be increased before completion of the new shaft and auxiliary equipment, it will probably be some time next year before the second unit can be brought into operation.

Mr. Murdock discussed the opening up of the downward extension of "H" ore body which has given such spectacular values below the 500-ft. horizon. He pointed out that on the first and third levels this body showed considerable width but small values, while on the fourth level it showed a probable width of 600 feet by 200 feet in length. Values were irregular but higher than any other level, but probably only a very small portion will produce commercial ore. In sinking No. 3 shaft from the 500 ft. level "H" orebody was first struck in the shaft, about the 950 ft. horizon, and the ore left the shaft at 975 ft. Here a station was cut and a crosscut driven north for a distance of 120 feet from the south side of the shaft.

High Values Secured

Ore from the shaft and from the station cutting and crosscut was sent direct to the smelter after passing through the sample mill, and the average sample from 1,500 tons of the resulting material was $4.20 gold and 14.1 per cent. copper. The face of this cross-cut was stoped in high-grade ore. A station was cut at the 850-foot level, and in cutting same to the north high-grade ore was struck ten feet from the shaft, and the work was continued for a distance of 50 feet, where it was stoped, the face still being in high-grade ore. About 300 tons of ore from this station averaged $3.95 gold and 13.7 per cent. copper.

On the 725 ft. level, high grade was encountered 25 feet to the north, but work was stoped ten feet in ore. On the 600 ft. level, high grade was cut 47 feet from the shaft, and the face is still in ore. The only other work on "H" body below the 500, was drilling on the 975 ft. level, which demonstrated the body a large and valuable one, but of course, much more work will have to be done before a definite estimate can be made as to length, width, depth and value. The drilling on the 975 level, while not conclusive, yet indicates the "H" body becomes lower below this level. However, as the drilling of the first incline hole to a depth of 400 ft. below the 975 shows no change in rock formation, and some low-grade ore, approximately 300 ft. below the level. President Murdoch states there is possibility of finding ore in this body in deeper formation.

"B" orebody has been reached on the 400-foot level, and length appears to be 120 feet; average width 20 feet, and average assay $4.50 gold and 4.3 per cent. copper. This body has not been reached on the 500-foot level in position where first expected, but hopes are held it will be located as it was on the 400. Diamond drilling encountered ore at 720-foot horizon, supposed to be this "B" body.

"K" orebody is a small high grade deposit on the 300. Three short drill holes put in, traced the downward extension for 35 feet. Within the last few days ore encountered on the 400 is believed to be "K" downward extension. "C" and "E" bodies have been located on the 400 and 500-foot levels, as large bodies of sulphide, but gold and copper values are very low, and it will only be possible to commercially mine a very small portion. The orebody found on the surface last summer has been encountered in a drift on the 100-foot level, 700 feet west of No. 3 shaft, and average assay over 30 feet, gave 5.8 per cent. copper and 30 cents in gold. More work is required to determine extent of this body.

Astoria's Cost Position Shown as Strong One

Astoria Rouyn's annual report has been sent shareholders. It shows a cash position of $17,100 and stocks and bonds $60,486, giving liquid assets of $77,500, with no current liabilities. Company has unissued 1,999,991 shares out of an authorized capital of $5,000,000 in shares $1 par, and in addition, 150,000 returned to the company, making 2,149,991 available for future financing.

J. E. Tanguay, discussing work on the properties, says the directors recently decided to do more exploration work on groups "1," "5" and "6." A gang of men are working on group "2" Joannes, and engineer reports, under date of Sept. 1, finding eleven different showings at various points on this group. Equipment has been taken in to open up these finds.

Arrangements are now being made to put men to work on group "6" in Boischatel tp., about one mile east of the Towagmac.

Group No. "5" has always been regarded as among the best located properties in the Rouyn Camp. It is adjoining the McMillan claim of the Huronian Belt.

Stop Mine Promoters Hogging Bulk of Funds from Sale of Shares

Ore Grande Cuts Unexpected Ore

HAILEYBURY.—Ore Grande, Central Manitoba, has intercepted ore 145 feet from the shaft on the 500-ft. level and is now drifting north and south on the vein, according to J. W. Morrison, E.M., president of the company. The vein shows a width of 18 feet and carries values of from $1 to $3 across the width of the drift for a distance of 30 feet each way. Considerable interest attaches to the report in view of the fact that ore had not been anticipated at this point as it had not been encountered on the levels above. It is estimated that another 150 feet of drifting will be required to strike commercial ore and that this will be reached about the end of the month.

AMULET LATERAL WORK SHOWS UP BETTER VALUES

Much More Encouraging Picture Presented to Annual Meeting

Amulet's supplementary report, given at the annual meeting, showed a decidedly more encouraging ore situation than that contained in the annual report. If the report did one thing, it proved the fallacy of accepting diamond drills results as giving a true condition of an ore body, for in practically every instance, underground development has revealed much better results in widths and values than were revealed in the drill cores.

The encouraging feature of the new facts revealed by A. A. Mackay, managing director, was the appreciable increase in the copper and precious metal content of the ore. The situation as revealed by the annual report was none too encouraging as the company was too dependent on zinc which has a rather uncertain market besides making for high costs in extraction. The new facts reveal in some cases a still higher zinc content and so the costs will continue, but the higher and precious metal values make this quite easy to accept.

Amulet will proceed with the erection of a concentrator that will start production with an output of 200 tons daily. The crushing plant will have 400 tons capacity. The company will erect an aerial tram to the railway line instead of building a spur into the property. The concentrator will cost $200,000 and the tramway $24,000.

Mr. Mackay's remarks on development underground since July 1 and up to Sept. 1, showed that in the period good progress had been made and some distinct surprises met with. After enumerating these in considerable detail, he concluded with the statement that he considered the property in very healthy condition

(Continued on page 20)

Long Term Options at Cheap Prices Are Being Frowned Upon

WILL HELP MINING

Selling Shares on Commission Basis Means Treasury Benefits by Good News

Mining companies who give long term options on blocks of treasury shares are meeting with a little encouragement or co-operation from the authorities at Queen's Park, Toronto, having to do with the enforcement of the Sales of Securities Act. And even less encouragement is being given those who try to give options at a low price, say 1,000 shares at 10 or 15 cents.

Seemingly the authorities are trying to bring about a condition where a fair share of the money put up by the public will go into the treasury of the mining company for actual mining operations. The next desired step is a way to make companies when they get the funds, spend them intelligently. There are some notable cases where companies have large amounts of cash in the treasury but seemingly the public had as little chance of getting a run for their money as with the company that peddles its shares around 10 and 12 cents.

Meal Tickets Only

It has been notorious in the past that companies, promoted by some brokerage houses or handled by some promoter who launched his own selling organization, have been no more than meal tickets for the promoter. In other words the promoter took down large blocks of stock on an option basis at a low price and either marketed it through salesmen or through the market at anywhere from three to ten times the price which it was costing him and put the bulk of the proceeds in his pocket. In numerous cases the stock sold slow. This meant that the treasury never received sufficient money to carry on a decent mining effort and when the selling ability of the promoter reached an end, he let the proposition die or reorganized it under a new name, took a new option and started out again. He lived well, in many cases luxuriously and the shareholders got nothing.

Options Frowned Upon

From now on it would seem that long term options on large blocks of stock at low prices are to be taboo. It is believed that the venture that will go to the authorities at Queen's Park and present a proposition where no options are given, where the shares are to be sold on a straight commission basis on a reasonable sliding scale of prices, will meet with encouragement. This is a condition which will allow any good news, which creates a demand for the stock, being reflected in the amount that will go into the treasury. Under the law companies can pay 25 per cent. commission. If the stock was optioned at 10 cents under the old order and public buying soon ran it up to 75c., the operation did not benefit. Under the new order if a stock sells up quickly to 75c. then the

(Continued on page 20)

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Raid on Whitewater Broke Shares Down

Someone on the coast started rumors flying about Whitewater Mines having power troubles and the shares, under pressure, dropped from $2 to $1.50. As far as can be learned the mine is looking just as good as it ever did. Gen. J. W. Stewart, after a visit to the operation, was quoted as saying that the mine has more ore than it ever had and the mill which is working with great efficiency will be operating with electric power from the company's own development on Whitewater Creek. This development, which has cost $30,000 will provide up to 380 horse-power for nine months of the year. The oil engines which are now in use will provide power for three months in the year, at other times being available as auxiliaries.

Brokers Really Bullish on Malartic's Outlook

Three Houses Review Issue in Same Week — Speak Well of Developments and See Higher Prices for the Shares

Malartic Gold Mines, operating east of Rouyn in N. W. Quebec, continues to command a great deal of attention. Evidently brokers think well of the venture, as last week the market letter of the three important houses featured this issue, and recommended it strongly.

Long north and south cross-cut is to be driven on the 375-ft. level to a point half way between the north and south ore zones, and diamond drilling will be done from there. Meanwhile, drifting is proceeding on this horizon. H. L. Gibson and Co. say that mention of Malartic in mining circles nowadays and all eyes turn involuntarily to the spot on the board where long columns of figures have become habitual. They add:

Malartic by its consistently advancing tendency marketwise has graduated from "prospect" prices and is definitely headed for "mine" prices. Of this there is no doubt. The possibility which is intriguing speculators' earnest attention at this time is that Malartic may not stop at a "small mine" price but may continue to a "big mine" price.

The article which is accompanied by a map, concludes with the statement that big things may come from the programme of work, particularly the diamond drilling, about to be undertaken.

Moysey's market despatch, after giving some of the reports that are going the rounds, say:

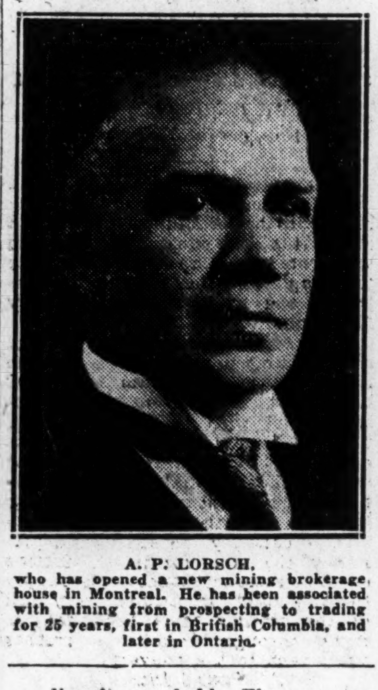
What once was regarded as one of the most promising gold prospects in Northwestern Quebec now appears rapidly to be approaching the status of a proved gold mine of notable potentialities—a mine which, in due course, may be expected to reach the producing stage. There seems to be little doubt but that a considerable tonnage of ore is being indicated and developed in the Malartic Gold Mines. While some of the values are richer than others, the available information would seem to indicate that the mine average may be of medium grade, although there is a possibility of other high-grade finds

Solloway Mills express the opinion that Malartic stock is slated for much higher prices and are recommending it as a hold. They express the following opinion, after giving a review of work to-date:

"Considering the size, strength and nature of the main vein, the fact that the main vein break has been traced for 2,500 feet, and that comparatively little work has been done on the whole property to date, the possibilities of making a large mine are very great.

In connection with finances, we learn from a well-informed source that the company has more than $200,000 cash in the treasury, together with some 250,000 shares of stock unissued, which should be more than sufficient to bring the property to the production stage. If further finances are necessary for mill requirements, we understand very valuable rights will be issued to shareholders at that time.

New Brokerage House



A. P. LORSCH, who has opened a new mining brokerage house in Montreal. He has been associated with mining from prospecting to trading for 25 years, first in British Columbia, and later in Ontario.

Buying Direction Names is a Passing Practice

Material Change Coming Over Methods of Mine Finance — Ten Per Cent. Commission for Selling Has Already Been Proven Equitable

By WALLACE J. LAUT

KIRKLAND LAKE, Ont.—As far as mining men who have come through the fine-grinding mill of experience are concerned, ideas in regard to mining finance have changed. The long-held belief that a mining operation was to be guided by the promoters for their own benefit has gone by the board. In the Kirkland Lake area some grief has been experienced, but a good deal of wisdom acquired in the last ten or fifteen years of financing mining operations.

Kirkland Lake was a prospectors' camp from the beginning. Scores of engineers turned down the early finds, because, taking their precedent from Porcupine, they believed gold could not be expected to exist in paying deposits in the porphyry rock.

It was up to the prospectors to organize their own companies. Some were successful; others found the intricacies of finance difficult, but taking it by and large the camp has been singularly free of "wild cat" ventures. To-day, most of the mining people of Kirkland are just as "wise to" the methods of organization and mining finance as the purely hotel-lobby type of promoter. One of these mining men freely discussed the new outlook for financing.

Cut Down Commissions

"In the past it has frequently cost as high as 50 per cent. to get money to carry on mining development," he said. "There is a decided change coming because the 'old bunk' is rapidly going out of the business. If a promoter wants high comissions we know he is not interested in mining, and in the future he will have to get down to much smaller percentages. It has been shown that mining issues can be sold for ten per cent. This is pretty low, but it can be done, and certainly mining requires as much of every dollar as it can get to be spent intelligently on the ground.

"In order to have a property in such shape as will make it appeal to the man who is willing to take monetary risks on the ground, as long as he does not have to take risks on the people behind it, the first group should present the claims fully patented and paid for. A certain amount of surface work should have been done or some other form of development to prove the merit of the ground. And the directors of a company should show their faith in the company by carrying on development to the point where it justifies public financing. The day of the 'guinea pig' director, the man who gives his name to mining to influence other people, and never puts up a cent himself, has passed. Mining people are the people who should run mining companies. I would rather see the humblest prospector who knows and believes in his claims running a company than the president of a big industrial corporation who has given his name to the company for a block of stock.

Means Lower Capitalization

"Then, if this debunking process keeps up, we will gradually get away from enormous capitalization. It is probably a good thing to discount par values at the start, but to have millions of shares in a company sold at bargain prices is merely camouflage. It is better for the speculator to put up $100 for 100 shares than to get 1,000 for the same money. He can then realize that low capitalization and the methods found behind low capitalization are the safest methods. The treasury of the company is being protected. At present both the vendors and the company appear to want to have millions of shares because it sounds big. They will presently come to realize that share certificates are merely pieces of paper. It is the work behind the company and the principle behind the men that counts."

The man who made these statements is one of the most prominent mining developers in the north. The last company he organized is capitalized at 300,000 no par shares.

LARTIC READY TO SINK SHAFT IN FORTNIGHT

Assays Run as High as 12 p.c. Copper on 60-ft. Level

By Staff Editor

AMOS.—Installation of the new mining plant at Lartic is proceeding rapidly and it is expected it will be ready to begin sinking operations within the next fortnight. This work would have begun sooner, had not the equipment been delayed in delivery by the heavy rains which rendered the roads impossible for transportation.

The new shaft has been located in about the centre of the property, 25 feet to one side of the vein. The new plant with which this work is to be done includes a 528 cu. ft. compressor, a 50 and a 60 h.p. boiler, and an 8 by 12 hoist. A drill-steel sharpener has also been installed.

The new shaft will be sunk to a depth of 250 feet, and eventually to 500 feet. The head frame has already been erected and is ready to be moved into place just as soon as shaft-sinking has sufficiently advanced to make it possible.

Lartic's present shaft was sunk on the vein, the ore continuing in the shaft to a depth of 40 feet when it raked out to the east.

Water came in at 57 feet and it was determined to locate a new shaft along the strike, but nearer the centre of the property. In the meanwhile the old shaft was continued downward to a depth of 72 feet. At 60 feet a station was cut and a cross cut run in to the vein which has been drifted on for a distance of 95 feet.

Good Copper Values

Sampling gave values of 8 to 12 per cent. copper and values of from $1.20 to $2.80 in gold. This work was done to test out the theory of the nature of the ore body and has checked closely with the values obtained in surface work.

Surface work at the Lartic has included stripping of the vein for a distance of 250 feet to where the strike carries it into low ground at each extremity.

Widths up to 12 feet have been uncovered in cross-trenching, but the total width of the vein has not yet been learned, as the vein extends into swampy ground on the north side.

Developments are being carried out under the direction of L. G. Smith, E.M., mine manager of Newbec. The latter company has assumed charge of the operation under an agreement which gives it a stock interest in Lartic, and an option to secure an additional block of stock which will give it control should it exercise its option.

Mining Inquiries

Cariboo Copper

What comment have you on Cariboo Copper Corp., as an investment in mining stock?

Shares of Cariboo Copper Corporation are quite speculative. The company's properties are in the prospect stage.

Int. Minerals

Would you recommend shares of International Minerals as a favorable mining speculation?

Shares of International Minerals may be regarded as quite speculative. The company has several properties that look like fair prospects.

Evangeline

Some of our customers are advised to buy Evangeline Gold and Copper stock. Has it a good chance?

We regard Evangeline Gold & Copper Mine shares as speculative. The company is operating some old and revived gold properties in Nova Scotia and big things are being predicted for this and others in Nova Scotia properties under modern methods of mining and milling.

Sherritt-Gordon

Are Sherritt-Gordon shares to be looked upon with favor at the present?

With regard to Sherritt-Gordon if you have been reading The Financial Post you will see that from time to time we have carried a considerable amount of information in regard to this company. The shares are regarded as offering very excellent possibilities for a hold. The company has developed a very large ore zone and seems to be very well on its way to developing into a very large and profitable mining operation.

Buy Survey of Mines

Can you inform me as to the best source of information on Canadian mining companies?

You ask in regard to the best Canadian source of information about Canadian mining companies. We unhesitatingly recommend that you should purchase a copy of our Financial Post Survey of Mines for 1928, which is just published and which is available at the cost of $1. You will find that it gives news of practically all Canadian mining companies and though prejudiced, we unhesitatingly say that this is the only complete work of its kind published in the Dominion.

Gold Exp.

Three years ago we bought Clark-Bourlamaque which turned out badly. We had forgotten it until recently, when we got a letter from Gold Corp. of Canada, Montreal, who said they were taking over Clark-Bourlamaque, and would give us one share of their stock for each two of Clark held. Also that the exchange would carry no future obligation of any sort. Is this exchange desirable? What is your candid opinion?

We cannot believe that Gold Exploration of Canada is any better since Clark-Bourlamaque Gold propositions are being handled by Kemerer and Company of Montreal, and now that Clark-Bourlamaque has gone flat it looks as if they want to revive the proposition by launching into a new company. We cannot see where you will get anywhere in holding the Clark-Bourlamaque stock and cannot see any harm in making the exchange. We are not hopeful for either.

Amulet at $4.85

I hold Amulet costing $4.85. What would you do with it?

We regard shares in Amulet Mines as being very speculative. One of the main reasons for this is explained more or less in an article which appeared on the front page of the Mining Section of our issue of the 21st dealing with base metal operations that have a very heavy zinc content in their ore. Amulet is one of these and it begins to look as if the company will have quite a little job making a profit on its ore.

At the annual meeting the company will likely give revised figures on ore reserves and this may present a much more attractive picture than is apparent at present. If Amulet happens to strike some good deposits of copper ore as Noranda has done, the outlook of the operation may change over night.

As you say that you cannot afford to lose we are just a little surprised that anyone should have recommended that you purchase shares that are so speculative under the circumstances.

Sherritt-Gordon is speculative but has a tremendous body of ore and will work out well in the end. You should be prepared to hold those shares for two or three years.

Mond - Lake Shore

I am thinking of buying Mond Nickel and Lake Shore. Which would be better for appreciation? Is the present a poor time to buy?

In a recent issue we gave the facts in regard to the capitalization of Mond Nickel in comparison to the details in regard to International Nickel. That article has appeared since your letter was written and you undoubtedly have the facts with you.

The drop in the price of Mond Nickel from $45 per share to around $23 took place when the company split its stock and gave two shares of new stock for one of old. Since then, the price of the shares has moved up to $33 a share which is really $66 on the old or an advance of $21 per share since the stock was split.

We regard Mond Nickel and Lake Shore as among two of the most attractive stocks in the mining list. Both if purchased and held for a time should show market appreciation. In buying such stocks you are getting diversification one is nickel copper and the other gold. Best opinion is that the present is a time when stocks should be accumulated.

McLeod Oil

Would you give me a line on McLeod Oil, the standing of the management and chances of appreciation?

McLeod Oil Company of Calgary is in very excellent hands the heads of the company being among the oldest and ablest pioneers in the Alberta Oil Development. The ground of the company is in the heart of Turner Valley in close proximity to the Royalite Company and already has a substantial and growing production.

We believe the shares offer good speculative possibilities.

Sudbury Basin

I bought 100 Sudbury Basin at $9.92. I believe that it will come back. Is that your opinion? When is the annual meeting, and when may a report be expected?

On the front page of the Mining Section of our issue of the 21st you will find quite an extensive article on Sudbury Basin which will answer all the questions you ask about the company with the exception of the annual meeting. This will not likely be held until after the first of the year. Meantime we expect that there will be some official statement in regard to the company's operations issued shortly.

Sisco

What is the latest news on the development of Sisco Gold Mines?

Sisco Gold Mines of Amos are controlled by a Montreal group, and the latest information is that the property at the fourth and fifth levels has opened out very well. In the last few days we have met two or three mining men who have been to the property and they are pleased with the outlook. The company is proceeding with the erection of a mill and should shortly begin production. We understand the ore is very rich.

Syndicates

I am asked to buy Paramount Syndicate shares at $25. I know that this is a gamble but wonder if the men behind it are worthy of trust, and have they a chance to make good?

It is difficult to keep track of all syndicates coming out and as yet information has not reached us in regard to the Paramount, but you seem to be fairly well posted on it and have your eyes open in regard to its prospects. Its possibilities, as you say, are a gamble so little more can be said.

Syndicates are a good way of gambling in mining developments if a person goes into them with his eyes open and many of these have worked out very well. One of the nice things about the syndicate form of gambling is that practically all the money raised in this form generally goes into the ground in real mining explorations. This is more than can be said of a great many stock offerings.

Not for a Woman

Two men called from —— brokerage house, Toronto, and offered me Domain units at $170. They said I would get 200 shares. My banker advised against it. What do you think of the units for a woman?

We are not well posted in regard Domain Syndicate the shares of which you say you have been offered. We feel that you should not buy these shares and are quite surprised that salesmen of a house like the one mentioned should attempt to sell units in a syndicate, where the element of risk is very great, to a woman. The number of syndicates that make good are few. If you want to speculate in mines we feel that you should confine your purchases to shares in proven mines and preferably mines that are now on a dividend basis. Many believe that the chances of profits in such operations are small but the fact remains that some of the biggest profits in our mining stocks have been taken after the mines have reached the producing stage and in others after they started paying dividends.

Bidgood

I paid $1.02 for Bidgood. Will it ever recover to the point?

Bidgood looks to be quite an attractive speculation. A real earnest endeavor is being made to find a gold mine and with considerable success.

Blue Quartz

How are things going at Blue Quartz, which I think is in Painkiller Lake? There are quite a few people here in Liverpool interested.

As you are undoubtedly aware the Blue Quartz Mine is located in an unproven area, Painkiller Lake, and while there have been many glowing reports in regard to the amount of ore put in sight and statements that a mill was to be erected, the fact remains that the operation does not seem to make very good progress. A few months ago the company launched quite an advertising campaign to place a new block of stock with the idea of financing a mill, but for some reason, so far unknown, we understand that the Provincial Secretary's Department acting under the new sale of security measure put into force with the idea of protecting speculators and investors in securities, stopped the campaign from being carried further. Since then there has been no information available in regard to the operations.

Hunton

I hold some Hunton shares costing 27c., and they are dropping steadily. Do you think I stand a chance of losing on this?

Kirkland Hunton shares are speculative. This operation is located a little below the producing section of Kirkland Lake Camp, and original discovery was quite the richest that had been found in the area until a recent find was made a short distance to the west. The management of this operation has made a really earnest effort to find the mine. As they have gone along they have from time to time found just enough ore to encourage them to keep on trying. Recent developments in the southern part of Teck Hughes, a very large and rich producer of the camp, would indicate that this section around the Hunton still has very excellent possibilities. Undoubtedly you stand a chance of losing your investment. That is the case with all mining prospects. On the other hand, if the venture happens to prove a winner, it generally works out that the profits are in keeping with the risk taken.

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PORC. GRANDE HAS 270-FT. ORE SHOOT ON 200-FT. LEVEL

Good Progress Being Made and Good Width Shown

By Staff Editor

SWASTIKA.—Porcupine Grande, operating on its 200-ft. level, has drifted on a continuous ore shoot carrying visible gold for a distance of 270 feet and is still in ore, E. H. Orser, consulting engineer, informs The Financial Post.

Mr. Orser in detailing progress made in development work since underground operations were begun August 1, states the main drift east is in ore the full width of the drift and still carrying strong. The showing consists of a big quartz vein with a northeast strike with widths 10 feet wide in the lense carrying sulphides of copper, iron and zinc disseminated through the vein.

The cross-cut 250 feet north from the shaft, has cut through a 10 foot width of ore carrying free gold. The cross-cut is being continued through the sediments to strike the contact with the keewatins at which point ore is known to exist, having been located by diamond drilling.

Assays of the diamond drill cores taken from the holes sunk in this body returned values up to $79. One hole cut 95 feet of $8 ore. This was some 800 to 900 feet north east of the shaft.

Operates Three Nations Group

Porcupine Grande is operating the Three Nations Group in Whitney Township, District of Porcupine. Coniagas spent considerable funds on this property. The present company later purchased it for $150,000. The present operation was started in April. The camp buildings were renovated, new drilling equipment installed and the plant thoroughly overhauled.

The plant consists of a 300 h.p. boiler, two straight line Ingersoll-Rand compressors, an 8 by 10 Jenckes hoist, and a D. C. electric unit, which provide power and light for the property.

A crew of 30 men, working in three shifts, have been employed, since underground operations were resumed.

EXAMINING GRANADA

Douglas Wright, E.M., is making an examination of Granada Rouyn property.

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ALADDIN STARTS WORK IN PONTIAC

High Lead Values Secured from Grab Samples in Ben Nevis

By Staff Editor

HAILEYBURY.—The Aladdin Mining Co. is starting work on its property in the Ben Nevis gold area, Township of Pontiac, Larder Lake Mining district, a crew of some ten men having been sent in under H. M. Parrington, E.M., who will have charge of development work. It is proposed to continue the stripping and trenching carried out by the stakers and to follow this up by diamond drilling.

The property lies near the Interprovincial Mining Co., and is accessible by water route from Argonaut Siding, and by winter road from Dalby Station.

It was staked by Walter Manley and William O'Reilly, stakers of the Amulet. Grab samples have assayed 11.59 per cent. lead, 2.13 per cent. zinc and 1.54 silver.

Aladdin Mining Co. is incorporated under Dominion charter with an authorized capitalization of 5,000,000 shares of no par value. Shares allotted and issued total 1,725,000; outstanding and in the hands of the public, 400,000; in the treasury, 2,875,000.

Its holdings comprise a block of 15 claims of approximately 600 acres, and the acquisition of further properties in another district is under consideration.

The officers and directors are: Brig.-Gen. A. E. Ross, president; George J. Mackay, vice-president; Austin O'Connor, secretary-treasurer. Additional directors, L. J. Austin, R. L. Calder, K.C., Thomas Cantley, M.P., and Hon. W. B. Willoughby.

STOP MINE PROMOTERS HOGGING BULK OF FUNDS FROM SALE

(Continued on page 18)

broker only gets his 25 per cent. on the increase instead of taking the whole of the increase. Incidentally companies proposing to sell stock at 10c. and hoping to make a gold mine, will undoubtedly leave Queen's Park sadder but wiser.

Another encouraging feature is that vendors of properties are showing a tendency to put a reasonable price on their properties, instead of trying to hog anywhere from 50 to 75 per cent. of the authorized capital. This is going to work around to the point where much lower capitalizations will be in order. Some of them to-day are outrageous.

Norman Fisher's report on Abana Mines, for the C. N. R., will be ready in a week or so, according to Pres. Savard. It is being proposed to increase Abana directors by four to nine and to list the shares on New York curb.

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AMULET LATERAL WORK SHOWS UP BETTER VALUES

(Continued from page 18)

and he has every reasonable expectation of increasing the present proven dimensions of the older ore bodies and also of locating further ore bodies from time to time as work proceeds.

Pres. R. Popham, stated that the deepest horizon at which ore has been proven was 500 feet but that a hole was now being put down to test out the geology at 1,500-ft. vertical.

Mr. Mackay's report was as follows:—

During the period under review a total of 1,026 feet of cross-cutting and drifting has been done, which practically completes the proposed programme for the development of "C" ore body at the 150-foot level. The sinking of the three-compartment shaft to the 250-foot level will be under way by the end of the month.

Drifts were run over "C" orebody on the 150-foot level for the purpose of establishing diamond drilling stations from which to more accurately delimit the body. The ore was not expected to extend up to this horizon, but at a point in the drift 120 feet west of the crosscut ore was encountered and continued for 110 feet, 62 feet of which has been sampled and assayed, showing an average content of 7.63 per cent. copper, 20.78 per cent. zinc, $.57 gold and 11.63 ounces of silver, or a gross value of $52.80 per ton.

The former estimate on this body was 196,540 tons with an average value of $25.35, based on diamond drill cores. The present actual underground work indicates that both the tonnage and average value of this orebody have been conservatively estimated.

A crosscut driven northwest from the shaft on the 150-foot level to a point vertically under "D" ore body uncovered a brecciated zone highly mineralized with chalcopyrite and a small amount of zinc. A section 7 feet in width averaged 5.84 per cent. copper, 6.75 per cent. zinc, $0.40 gold and 2.13 ounces silver or a gross value of $25.62 per ton. This section of ore was encountered late last week and is of great importance since the original estimate on "D" orebody, based on diamond drilling returns, cut the ore zone off at 55 feet in depth.

It is also to be noted that the grade of ore indicated by diamond drilling was $14.64, against a value of $25.62 per ton in the actual underground work. Drifting is now under way on this ore.

Diamond Drilling: Recent diamond drilling on No. 1 area has shown two intersections of ore. One hole cut 7 feet of high-grade copper ore giving an assay value of 12.70 per cent. copper, 2.24 per cent. zinc, $2.40 gold and 2.05 ounces silver, or a total value of $41.23 per ton. Another hole cut a 3-foot section of copper ore assaying 9.61 per cent. copper and 2.04 per cent. zinc, or a gross value of $26.90 per ton. Further drilling is now in progress to determine the importance of this deposit. Tests made at Ottawa of a 20 ton shipment showed that a copper concentrate would recover 94 per cent. of the copper and 65 per cent of the silver and a zinc concentrate 85 per cent. of the zinc.

Waite-Ackerman-Montgomery property shipped 2,000 tons to Noranda smelter in September and will likely increase this in October. Noranda controls this operation.

MINING STOCK QUOTATIONS

Week Ending Sept. 25

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Sept. 25	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	3.95	3.20	3.52	241503	4.90	.20	4.00	1.75
Aconda	1	....	....	.22¾	.19	.19	58150	.45	.14½	.47	.15
Afton	1	....	....	1.50	1.50	1.50	400	1.36	1.00	2.12½	1.25
Albain M.	1	....	....	.85	.85	.85	200	....	....	1.05	.20
Algonquin	1	....	....	.02¾	.01½	.02¾	17350	.05½	.02	.03	.01
Amity C.	1	....	....	.41½	.38	.39	105500	.50	.24½	.55½	.24
Amulet	1	....	....	3.53	3.15	3.50	309808	7.10	.85	5.45	3.00
Apex	1	....	....	.04½	.04	.04½	2500	.10	.01	.09	.03
Area	1	....	....	.30½	.27	.28	35450	1.98	.23	.48	.14
Argo. Con.	1	....	....	.04½	.03½	.03½	16650	.59	.25	.34	.03
Arno	1	....	....	.30	.26¾	.27¾	31600	....	....	.39½	.15
Atlas	1	....	....	.02	.01⅞	.01⅞	20500	.07	.02	.04¾	.01½
Ankerite	1	....	....	.22	.22	.22	500	1.25	1.15	1.23	.20
Bayview	25c.	....	....	.07	.05⅛	.05½	120900	....	....	.09¾	.05⅛
Bagamac	1	....	....	.10	.10	.10	500	.19	.06	.17	.05
Baldwin	1	....	....	.02¼	.01½	.01½	21100	.05½	.01	.08½	.01½
Barry Holl.	1	....	....	.57	.47	.52¾	519175	1.50	.25	1.50	.34
Bathurst	None	....	....	.25	.21	.22	47900	.35	.30	.35	.18
Beaver	1	....	....	.99½	.93	.97	4300	2.75	.59½	2.25	.77
Bedford	1	....	....	.40½	.38	.40	9300	.52	.19	.54	.32
Bellellen L.	1	....	....	....	....	....	....	.23½	.03	.03½	.01½
Bidgood	1	....	....	.66	.60	.61	78750	1.83	.05	1.60	.51
Big Horn	.	....	....	.25	.25	.25	200	....	....	.44	.25
Big Missouri	1	....	....	.52	.49	.50	99150	....	....	.90	.40
Boischatel	None	....	....	.03	.01½	.03	472200	.27	.03	.05	.01½
Bower M.	1	....	....	....	....	....	....	....	....	1.25	.75
Buckingham	1	....	....	.08	.07⅛	.08	65000	.09½	.03	.08⅛	.04½
Bunker Hill	None	....	....	.12	.09	.12	34550	....	....	.35	.07¾
Cambro	1	....	....	.30	.30	.30	500	.58	.55	.55	.29
Can. Lorraine	1	....	....	....	....	....	....	.12	.10	.21	.08½
Capitol S.	1	....	....	.09½	.09	.09½	7800	.34	.14	.18½	.09
Capitol R.	1	....	....	.16½	.15¼	.16	147350	.54½	.10	.18	.09
Castle Tre.	1	....	....	.39	.36½	.38	6350	1.27	.61	.81½	.36½
Cen. Man.	1	....	....	.99	.95	.96	11985	2.30	1.07	1.95	.82
Chaput H.	1	....	....	.14½	.12½	.12½	10250	.20	.04½	.18	.08⅛
Clericy	None	....	....	.28	.20	.27	117650	.31½	.31	.36	.07
Clifton	1	....	....	.01	.01	.01	100	.03½	.00½	.02	.00½
Coast Copper	5	....	....	41.75	37.87	39.00	1830	43.25	9.75	60.00	28.00
Col. Kirk	1	....	....	.02⅛	.02½	.02½	16800	.16	.01½	.09½	.02
Cons. Copper	.	....	....	....	....	....	....	....	....	.14½	.10
Coniagas	5	....	....	3.50	3.50	3.50	400	5.05	3.20	5.50	3.50
Coniaurum	5	....	....	3.25	2.40	2.40	1300	5.78	2.80	5.50	2.40
Cons. Smelter	25	10+40	4.63	278	267	270	726	274½	215	289½	239
Copper Hill	1	....	....	....	....	....	....	.68	.36	.46	.44
Cork Prov.	25c.	....	....	.27¾	.26¾	.27	15245	....	....	.47	.25
Corona	1	....	....	.04	.03	.03	14700	.37	.10	.16	.03
Crown Res.	1	....	....	.59	.48	.52	126000	.80	.39	.70	.34
Davidson	1	....	....	....	....	....	....	.08	.01	.03	.00½
Dunkin	1	....	....	.35	.34	.34	17000	....	....	.55	.30
Destor	1	....	....	....	....	....	....	.43	.20	.28	.20
Dome Mines	None	$1	10.69	9.60	9.25	9.35	1645	14.60	6.85	13.35	7.65
Dom. Kirk.	1	....	....	....	....	....	....	.12½	.01½	.06½	.01
Don. Rouyn	1	....	....	.23	.20	.20	12300	.56½	.17½	.30	.10
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	.05	.04	.04½	19400	.21	.19¼	.12½	.03
Dupuy	1	....	....	....	....	....	....	.79½	.09	.10¼	.10
Dunwell	1	....	....	....	....	....	....	....	....	.35	.20
Duthie	1	....	....	....	....	....	....	....	....	1.40	1.00
Everett	1	....	....	.02¼	.02	.02¼	4000	.05½	.01¼	.03	.01
Federal Kirk	1	....	....	.33	.23	.23	19200	.78	.40	.77	.23
Fiske	1	....	....	....	....	....	....	.30½	.05	.10	.03
George Cop.	1	....	....	5.96	5.75	5.80	778	....	....	6.75	2.50
Golconda	1	....	....	.87	.83	.83	4950	....	....	1.13	.69
Goldale	1	....	....	.25	.24½	.24½	3100	.57½	.20	.44	.22
Gold Hill	1	....	....	.12	.10½	.10½	25764	.54	.22	.38½	.07
Gold Reef	1	....	....	.01¾	.01¾	.01¾	500	.02½	.01½	.03	.01
Goodfish	1	....	....	.43	.39¾	.42½	79900	....	....	.78	.39¾
Graham	1	....	....	.45	.38	.40	218925	....	....	.45	.18
Grandview	50c.	....	....	.55½	.47½	.55½	273000	....	....	.87	.30
Granada	1	....	....	.30	.25	.28½	76950	.41	.14½	.35½	.17
Grover Daley	1	....	....	.11	.09	.09	58960	.37	.08	.15	.07
Harker	1	....	....	....	....	....	....	....	....	.43	.41
Harvie Exp.	None	....	....	....	....	....	....	2.40	.50	.85	.01
Hecla	1	....	....	....	....	....	....	....	....	1.30	.95
Hillcrest, c.	100	6	9.23	65.00	65.00	65.00	25	65.00	50.00	68.00	65.00
Hillcrest, p.	100	7	7.77	....	....	....	....	90.00	81.00	90.00	85.00
Hilltop	1	....	....	.13	.10	.10	7000	.25	.06	.23½	.07
Hollinger	5	13	7.51	8.80	8.25	8.65	8502	22.65	16.40	18.10	8.25
Howey Gold	1	....	....	1.10	1.05	1.05	49475	1.78	.42	1.91	.61
Hudson	None	....	....	20.75	19.50	19.70	41818	....	....	23.25	16.40
Indian	1	....	....	....	....	....	....	.12	.04	.15	.04½
Int. Nickel	25	$3	2.37	130.25	123.25	126.25	42395	90.25	38.00	133.25	73.75
Jackson M.	1	....	....	.88½	.81	.84	32650	.86	.36	1.02	.65
Keeley	1	....	....	.42½	.40	.42	3800	1.66	.69	.85	.39
Keora M.	1	....	....	.01¼	.01¼	.01¼	2000	.13½	.02	.05	.01
Kirk. Hunt.	1	....	....	.08	.06	.06¼	43210	.35½	.10	.26	.06
Kirk. Lake	1	....	....	1.51	1.43	1.50	33400	3.06	.82	2.75	1.20
Kirk. Prem.	1	....	....	.25	.25	.25	600	....	....	.40	.10
Koot. Flor.	20c.	....	....	.23	.20	.21	93800	.31	.21	.47	.16
La Rose	1	....	....	....	....	....	....	.12	.03	.08⅛	.03
Lake Shore	1	80c.	3.55	22.50	22.00	22.50	2860	28.20	15.40	27.20	20.00
Lebel Ore	1	....	....	.20	.20	.20	3000	.66	.30	.59	.16½
Laval	1	....	....	.21	.15¼	.15½	53650	.59	.19½	.38	.12½
Lorrain C.	1	....	....	....	....	....	....	.03¼	.01	.03	.00½
Lorrain T.L.	1	....	....	.30	.30	.30	100	.86	.52	.70	.30
Lucky Jim	10c.	....	....	.26	.25	.25½	13900	....	....	.44	.25
Malrobic	.	....	....	.37¼	.35	.36¾	71500	....	....	.37¼	.35
McLeod R.	1	....	....	....	....	....	....	....	....	.35½	.34½
Mandy	1	....	....	2.25	2.04	2.05	47775	....	....	3.50	2.04
Macassa	1	....	....	.27	.25	.26	6800	.69	.18	.55½	.21
Malartic	1	....	....	1.77	1.71	1.72	104095	.18	.23	1.85	.70
Marriott	1	....	....	.06	.04	.04½	7000	.45	.35	.46	.04
McDougall	1	....	....	.39	.36½	.37	12500	.90	.24	.74¼	.34
McKinley	1	....	....	.16½	.16½	.16½	2500	.25½	.11	.21	.16
McIntyre	5	20	4.65	22.25	21.50	21.50	2720	29.00	24.00	29.00	20.00
Mentor	10	....	....	....	....	....	....	14.00	12.00	13.00	12.50
Millcrest	1	....	....	.03	.02¼	.02¼	13000	.15	.02	.12	.02
Mining Corp.	5	....	....	3.35	3.20	3.21	7220	5.05	2.90	5.50	3.06
Moneta	1	....	....	....	....	....	....	.15½	.08¼	.12	.07
Montreal R.	1	....	....	.07	.07	.07	2000	.35	.10	.16	.04¾
Mint Ore	1	....	....	.30	.28	.28	1300	....	....	.44	.25
Mond Nickel	L1	....	....	33.65	26.50	32.40	106039	....	....	46.50	20.00
Moss	1	....	....	.58	.53	.53	4000	....	....	.70	.25
Murphy	1	....	....	.61	.52	.56	241500	....	....	.61	.28
Moffatt Hall	1	....	....	.20	.18	.18	34400	....	....	.35½	.15
Nat. Silver	50c.	....	....	....	....	....	....	....	....	.20½	.17½
Newbec	1	....	....	.59	.50	.54	594850	1.20	.62½	.66	.28
Night Hawk	1	....	....	.06	.06	.06	1000	.10½	.04½	.10	.05½
Nipissing	5	6	9.52	3.25	3.10	3.15	3585	10.30	5.25	6.20	3.00
Noranda	None	....	....	53.75	50.50	50.75	104377	25.80	19.95	64.50	17.00
Notre Dame	1	....	....	.79	.72	.79	13900	....	....	.82	.50
Ophir	1	....	....	....	....	....	....	.04⅛	.00¾	.03	.01
Osisko	.	....	....	.60	.55	.57	1800	....	....	.75	.35
Picard	1	....	....	.02	.01½	.01½	7000	....	....	.77	.01
Pawnee Kirk	1	....	....	.19	.16	.16	61775	.78	.64	.80	.16
Pend Ore	1	....	....	14.15	12.75	12.75	10645	....	....	25.50	8.00
Pend pref.	.	....	....	.60	.60	.60	1400	....	....	1.40	.60
P. L. Cobalt	1	....	....	.26½	.25	.26	9800	18.00	.02	.30	.06
Porc. Crown	1	....	....	.03½	.03½	.03½	12700	.11	.03	.08	.03
Pioneer	1	....	....	.55	.46	.52½	64250	1.18	.45	.68	.42½
Potter Doal	None	....	....	.07½	.05¼	.05¼	152100	.65	.10½	.22	.05¼
Premier Gold	1	24c.	10.43	2.40	2.25	2.30	14770	2.50	1.86	3.50	2.15
Preston	1	....	....	....	....	....	....	.07	.03	.05	.02
Porter Idaho	50c.	....	....	.68	.66	.66	6850	....	....	.88	.48
Ridgedome	1	....	....	....	....	....	....	....	....	1.25	1.03
Ribago	1	....	....	.08	.07	.08	9200	.87	.13	.25	.06
Rouyn G.	1	....	....	....	....	....	....	.04½	.02½	.03½	.01½
Rouyn, Que.	1	....	....	....	....	....	....	.04	.01⅛	.02	.01½
Rubec	1	....	....	....	....	....	....	3.65	.80	.80	.04
Realty & M.	None	....	....	....	....	....	....	.38	.15	.54¼	.08
R. Montbray	.	....	....	.18	.12	.12	10300	....	....	.32	.12
Ruth Hope	1	....	....	.60	.58½	.59½	11850	....	....	.63	.44
Royyn Kenn.	1	....	....	....	....	....	....	....	....	1.10	1.10
Rufus Argenta	1	....	....	.25¾	.24½	.25	37400	....	....	.37	.14
Simard	.	....	....	....	....	....	....	....	....	11.50	8.00
Silversmith	20c.	....	....	....	....	....	....	....	....	.23	.12
Slocan King	20c.	....	....	....	....	....	....	....	....	.11	.08
Selkirk	.	....	....	....	....	....	....	....	....	.03	.02⅛
San Antonio	None	....	....	.45½	.34½	.36	153672	.57	.30	.57½	.83
Siscoe	1	....	....	.86	.77	.83¼	286650	.60	.12	.87	.15
South Keora	1	....	....	....	....	....	....	.64½	.04½	.17¾	.03½
Stadacona	None	....	....	.15½	.12	.15	27100	.55	.13	.21½	.09
St. Anthony	1	....	....	.43	.41	.43	8500	.50	.16	.52	.32
Sudbury M.	1	....	....	.03	.03	.03	3200	....	....	.33½	.03
Sylvanite	1	....	....	2.95	2.75	2.75	3800	4.80	2.60	3.90	2.00
Sherritt G.	1	....	....	6.85	6.45	6.60	59003	....	....	8.40	5.45
Sud. Basin	None	....	....	6.70	6.25	6.55	54410	....	....	12.00	5.95
Sud. Contact	1	....	....	.22	.19½	.19½	9750	....	....	.50	.17
Sunloch	1	....	....	2.25	2.20	2.20	800	....	....	6.50	2.00
Tashota	.	....	....	.36½	.35	.36½	30500	....	....	.36½	.34
Thom. Cad'c	1	....	....	.63	.55	.58	19800	....	....	1.06	.45
Topley	.	....	....	.62½	.60	.60	16883	....	....	.65	.60
Teck Hughes	1	60c.	6.74	9.15	8.90	8.90	25345	12.00	5.37	11.60	7.85
Telluride	1	....	....	....	....	....	....	.38	.35	.58	.37½
Tough Oakes	1	....	....	.40½	.33¾	.38	63500	.82	.25	.79	.16
Towagmac	1	....	....	3.75	3.40	3.55	12383	5.75	2.85	4.75	2.25
Timiskaming	1	....	....	....	....	....	....	.12	.04	.10¼	.05
Treadwell Y.	1	....	....	15.00	13.50	14.75	1961	26.75	18.50	32.00	13.00
Thom. Krist	1	....	....	....	....	....	....	.02	.00½	.01½	.01
United Kirk.	1	....	....	....	....	....	....	....	....	.20	.10
Vaughan	1	....	....	....	....	....	....	....	....	1.70	1.15
Vickers	1	....	....	.75	.75	.75	1000	1.52	.25	1.25	.60
Vipond	1	....	....	.61	.56	.58¼	60970	1.74	.47	.99	.42
Wakenda	1	....	....	....	....	....	....	.16	.01	.15½	.06
West. D. Lake	1	....	....	.10½	.09¾	.09¾	25550	.20	.08	.17½	.08
Wiltsey C.	1	....	....	....	....	....	....	.74	.50	.56	.24
Wright Har.	None	10c.	3.25	3.15	3.00	3.07	55646	8.45	5.50	6.80	3.00
Windfall R.	None	....	....	.08	.07	.07	64300	.31	.19¼	.25	.07
Whitewater	1	....	....	2.01	1.90	1.90	10765	....	....	2.85	1.45
Woodbine	None	....	....	.12½	.10	.11¼	224800	....	....	.46	.11½
CALGARY OIL STOCK											
Acme	.	....	....	....	....	....	....	....	....	.30	.17
Advance	1	....	....	.65	.50	.50	3655	....	....	.95	.25
Alta. Pac.	1	....	....	.53	.50	.50	2565	....	....	.81	.30
Black Dia.	.	....	....	....	....	....	....	....	....	.35	.12
Brit. Dom.	1	....	....	.48	.45	.45	3280	....	....	.75	.25
Calmont Es.	.	....	....	....	....	....	....	....	....	1.00	.72½
Calmont	1	....	....	....	....	....	....	....	....	2.10	.70
Cal. Pet. P.	.	....	....	....	....	....	....	....	....	5.50	4.25
Cherokee	.	....	....	....	....	....	....	....	....	.07	.06
Dalhousie	None	....	....	2.37½	2.00	2.00	12901	....	....	4.25	2.00
Devenish	None	....	....	.68	.65	.65	6145	....	....	.75	.27
Great West	1	....	....	....	....	....	....	....	....	.34	.10
Ill. Alta.	1	....	....	.55	.53	.53	3175	....	....	.77½	.45
Madison	.	....	....	.09	.08	.08	3200	....	....	.20	.08
Mayland	.	....	....	1.30	1.30	1.30	200	....	....	1.75	1.06
McD. S. Ex.	1	....	....	2.30	2.15	2.15	1710	....	....	3.00	1.40
McD.S.(new)	1	....	....	1.45	1.40	1.40	2690	....	....	1.80	1.00
McLeod	1	....	....	5.05	4.55	4.55	5642	....	....	7.10	2.97
Mid West	1	....	....	.29	.29	.29	100	....	....	.60	.26
Mill City	1	....	....	.39	.39	.39	115	....	....	.55	.27
Moose M'tn	1	....	....	....	....	....	....	....	....	.30	.25
Okalta, c.	None	....	....	32.50	32.50	32.50	7	....	....	47.00	20.00
Okalta, p.	100	....	....	80.00	80.00	80.00	14	....	....	100.00	70.00
Ranchmen's	1	....	....	....	....	....	....	....	....	.80	.50
Regent	.	....	....	.45	.30	.30	800	....	....	.35	.30
Royalite	None	....	....	69.75	66.00	66.00	75	....	....	84.00	.45
Signal Hill	1	....	....	....	....	....	....	....	....	.30	.11
Spooner	1	....	....	1.40	1.25	1.25	1835	....	....	3.10	1.10
Stockmen	1	....	....	....	....	....	....	....	....	.60	.32
Turner Valley	1	....	....	.40	.40	.40	100	....	....	.70	.30
United	1	....	....	1.95	1.75	1.75	2618	....	....	2.65	1.19
Vulcan	1	....	....	1.97½	1.80	1.80	440	....	....	3.00	1.75
Dallas	.	....	....	.10	.10	.10	425	....	....	.30	.10
N.W. Pacific	.	....	....	....	....	....	....	....	....	.09	.09

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Telegram from Engineer says new find made on Imrie claim group No. 4, quartz vein well mineralized with sulphides.

On group "1" some interesting quartz veins have been uncovered, showing considerable mineralization and strength. Blacksmith tools, steel and powder are being rushed in.

Work proceeding aggressively on veins already reported on group "2." Engineer says showings on this group encouraging, especially in view of the good finds of gold made to the east.

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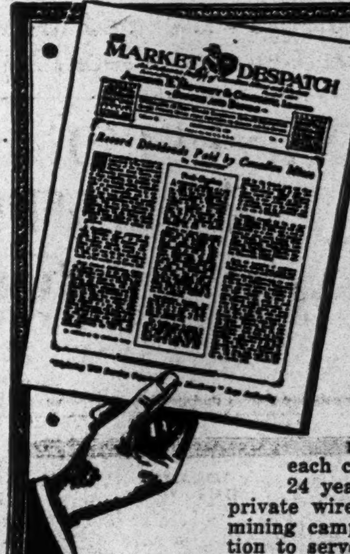

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